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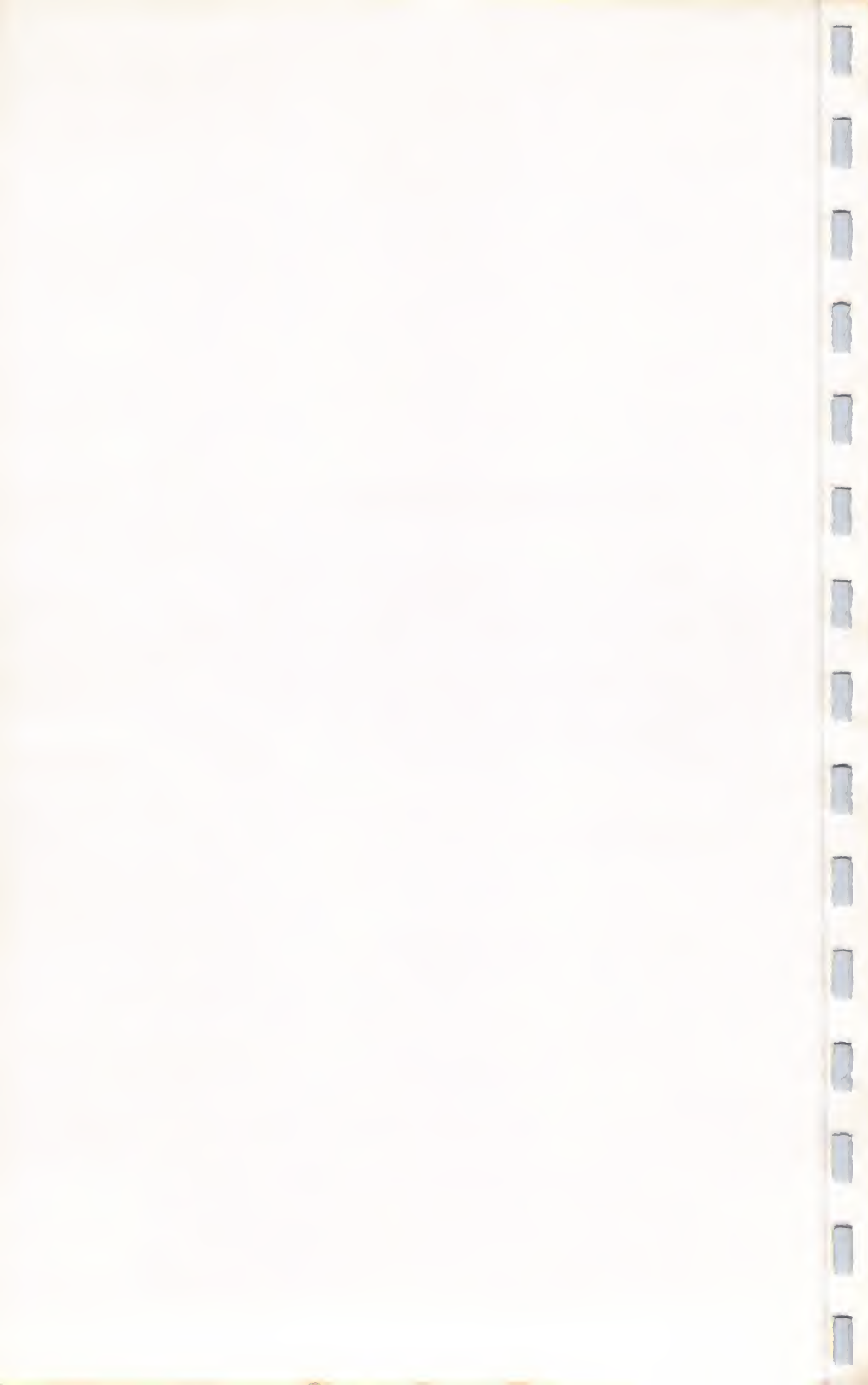
November 20-23, 1975
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Proceedings of the 57th Annual IAAPA Convention



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INTERNATIONAL ASSOCIATION OF AMUSEMENT PARKS
AND ATTRACTIONS

57th ANNUAL CONVENTION

THEMED ATTRACTION WORKSHOP

THURSDAY, NOVEMBER 20, 1975

TARA BALLROOMS 1 AND 2

The Themed Attraction Workshop convened at 3 p.m., Mr. Robert Freeman, Great Adventure, Jackson, NJ, presiding.

CHAIRMAN FREEMAN: I'd like to welcome you to the Themed Attraction Workshop of the IAAPA Convention. My name is Bob Freeman, I'm with Great Adventure. I'm the chairman of this particular workshop. It's our hope this afternoon that we can provide a learning experience for those of you in the room. If we have a theme, that's it. We'll begin with the presentation having to do with "Tips on Putting Together a TV Special." There's a lot of interest in this particular subject among theme parks, and we have a man here that has been successful at a number of them, and we are going to hear from him and see a few film clips from the making of TV specials. Following that, we will go into a panel discussion with six gentlemen that I'll introduce later. We have some prepared questions and statements that the panelists will discuss among themselves. At the conclusion of that discussion, we'll open the floor for as much time as we can, for any questions that you may have.

Let me introduce Ed Stone. Ed is manager of public relations at Opryland, USA. For ten years he worked at Callaway Gardens, enjoyed good success there. Ed.

"Tips for Producing a TV Special"
by
Ed Stone, Opryland, Nashville, TN

MR. ED STONE: Thank you very much. Let me go into tips on putting it together. A little background--actually, Opryland's television success started out with a little radio show some 50 years ago. That radio show today is the longest running continuous radio show in the business--the Grand Ole Opry. Opryland also became the home of American music, all kinds of music, Dixieland, jazz, contemporary, Broadway show tunes, rock, modern country and original country music. Opryland's musical concept, along with positioning the different types of music in different geographical areas, has enhanced the broad appeal, not only to the public, but also to television production.

Before going into some actual tips on producing a television special, I want to share with you a short film clip on some of Opryland's features and also some scenes that were shot during our Timex special that was filmed last spring. There is also a portion in this film clip on the NBC Children's Hour. I put a piece of that in there realizing that some of the parks here, Great Adventure, Six Flags, some of the others, Worlds of Fun, were also included in that, so this just shows you one little scene that was shot at Opryland. The film clip does not have any sound to it so I'll be narrating it.

As you enter Opryland, this is the Grand Ole Opry House, which is the focal point in our Opry Plaza area. All areas of Opryland pretty much lend themselves to a perfect setting for all kinds of music and entertainment. Sometimes rides, attractions, can give additional settings and action to be used in television production. The first scene opens up with Bob Wynn, who is the person that is responsible for producing the shows at Opryland on our TV specials in the spring. This is one that featured Dennis Weaver, Sandy Duncan, Jim Stafford, Tanya Tucker, Johnny Rodriguez and some others. This was the week before we opened on Saturday. I'm sure some of you would not recognize the park some three weeks before this when we had been covered by the flood. That gave us about three weeks to prepare for putting together this television special. This is the grand finale scene that's shot in front of the Grand Ole Opry House. I might say that one of the good things that came from this special was that we used our opening day festivities as a part of the television production. We needed a crowd for a giant parade that was part of the show, and so we used our opening day and promoted it as "Come to Opryland and be a part of the television special on opening day and see these various people." The theme of the Timex show was called "Timex presents Opryland, USA, a circus of American music." That's the reason for a little clown that we used there that kind of tied the entire special together. Opryland's Dixieland band was part of the NBC Children's Hour. They were chosen to be the background music in this scene that was shot with Avery Shriver and his Magic Chicken, when they visited Opryland. Avery Shriver is the guy that did the Frito chips commercial recently.

Another scene that I want to share with you here is a segment shot from our Grand Masters' Fiddling Contest. And although we did not do a special on that, we did get quite a bit of human interest in news features. But we also were able to capture footage and use it from the Grand Masters' Fiddling Contest to use in other television shows or wherever they might be needed.

Let's look at why Opryland is a TV center. Nashville has rather become known as an entertainment center, I think, because of the popularity of the country music because it is music that everyone can relate to or is relating to. For instance, the CMA awards received 39% share of the audience. That was aired back in October. Opryland Productions, which is a part of our company, is one of the most well equipped houses in the country, so this gives us a little better edge in producing some of these television shows. I'll have to admit that we don't have the hassle of the unions as the west coast or the northeast section of the United States would have, so, therefore, the people who produce the television shows enjoy working in this part of the country. Opryland also offers settings, as I have already indicated, somewhat as a new audience set for jazz and dixieland music. We have a showboat set for contemporary and music of that era, a hill country set for mountain type music or rock set for modern music.

Opryland has already become known as an entertainment theme park. That was one of the things that we set out to do when the park was conceived, to position it as an entertainment park. If we cannot produce the entertainment from our some 300 entertainers, then at least we have a pretty good chance of providing the sets for television shows. As a matter of fact, this is used to the park's advantage. For example, we will publicize that you can come to the home of American music, not only enjoy all kinds of music, but there's a pretty good chance you can be a part of a

television show or see a television show being produced.

Another tip, let me just put in here, and we will come back to this a little further down. Taking advantage of these television specials with support, publicity in your print media can not only gain exposure for your park, but you are also helping to build an audience for your television shows. So one pays off the other.

A lot of people say, "Okay, do you go out and get a good script and get a sponsor or do you go out and get a commitment from the network and then you do a script and get a sponsor?" Well, it is kind of like what comes first, the chicken or the egg? Probably everyone of you in the room today can argue with my formula. And I can probably argue with your formula. So let's look at the first thing you need. It is a new, fresh idea, something that is different. Give them something that they haven't seen before, take something that is fresh. Remember, too, in your idea and your concept, you will want to position your park in the proper perspective that you want the public to see it. In other words, you don't want the park to come off as some kind of a sleazy place that your public wouldn't want to visit, so keep that in mind. It is very, very important. Another ingredient that you have to put into this formula, of course, is a sponsor. Don't forget your park sponsors. Most all of you major theme parks have sponsors within the park. This is a good way--you've already got an entree. We'll come back to some of these a little bit more, but I wanted to hit you with the highlights first. Next, as part of this formula, are your stars, entertainment. In the Timex show, for instance, we billed the star as Dennis Weaver. But we also had Sandy Duncan, Jim Stafford, Tanya Tucker, etc. That's important. Additional entertainment, for instance--they wanted a marching band. That was part of this Circus of American Music, the grand finale. So we looked and searched and came up with a band from Chattanooga. And I'll tell you, friend, as you saw in the film clip, they were high steppers and they came off great on TV. That's what the network wanted; that's what we wanted to put into the show.

The next thing insofar as a part of this formula is a commitment from the network or a commitment from someone that will run it. Hopefully you can get it on network because that's where your big net is. Let's add to that formula a couple of little items, you can call it frosting if you want to. Proper timing is another necessary ingredient. You'll want to time it insofar as building attendance for the park. If you are going to spend a lot of money, spend a lot of time. It should do you a lot of good. Next, let's add a little bit of commitment from members of your park or your attractions management to cooperate with your production of the show. If you've got one division of your management that says, "This isn't what we want to do," then the show is going to be a real hassle for everyone. I might say that at Opryland, I think everybody there is committed. If we have any kind of a chance of getting a television show on, they will do it. I think this is the spirit that you need--to get excitement within your top management. Gosh, we're going to get in there; we're going to produce a television show.

Another little item that we want to add to it, a little dab of good public relations and audience building. Use that as a good chance to gain additional publicity. The print media, you've got such publications as TV Guide, world's largest circulation.

You've got all of your entertainment, TV editors, that are really crying for this kind of copy. Let's look at some different ways to gain TV exposure. I've listed six ways in here, and some of you may come up with another half dozen. I'm not saying these are the six ways. But I want to hit them very lightly. TV film clips circuit--a lot of you have heard about--well, a TV producer will come and say, "Let me produce a film clip of 13½ minutes, 28 minutes; we'll put it out on our TV circuit." That's the way it can be done. It's used a lot of times as fillers. It will be given to a TV station, they will use it on Sunday morning. They use it after a football game, after a baseball game, this type. Two, an individual station might produce their own show. If you've got some markets that are really strong, go to the station that has the equipment, that has the personnel. They can come in and produce their own show. And who knows? You might come up with something that is good enough, that can be used in other television stations, which leads me into number 3, which is called a syndicated barter, would mean if we produced a half hour show at Opryland, we would have or buy 2 one minute spots in that show and we would leave a pad on opening in there for two other spots, so we give that show to a television station and they can go out and sell those two spots, so they are getting a show free, but they are paying for the air time by the two spots that they sell to a local person.

Fourth, a syndicated fully sponsored show--this is something like that Good Ole Nashville Music, which is shown in about 147 markets throughout the country. That's the one that's sponsored by Purina but it's a syndicated fully sponsored show.

The fifth one is a network show, which we are all familiar with. That's when you have a good idea, good stars, sponsor and so forth.

And number six I put down here because I wanted to bring it out. I think it is good enough to bring out at this meeting. Participation in another special, another attraction, or create an event that merits TV coverage. And I want to commend the people on Kings Island that did such a good job on the Evel Knievel. And that was just one darn good way of an amusement park, theme park attraction getting exposure.

So that's six points I think are very necessary. In finishing up, (1) get to know the right people in advertising agencies, your big agencies, and these are the decision makers. Also, in the companies, these are companies that have national advertising dollars. It's just an essential thing. You've got to do it if you are going to get any kind of network television. (2) Get to know the right people at the networks that are in charge of specials. At each of the three networks, there are people there, decision makers, who are in charge of specials. Get to know them. (3) Get to know the producers at each network and know which area of television specials they have expertise. (4) Be prepared to spend some time in getting decisions from networks and sponsors. In some cases, it is a last minute decision and you will have to do it all in 24 hours.

(5) Be ready to spend some up front investment dollars to prove that your theme park is seriously backing your television specials. What kind of figure? You pick one, and that's how much it will take, \$50,000 to \$500,000, whatever it takes. You've got to have some money to get into. That's the cold, hard facts of

life. If somebody is saying, "Why am I sitting in here? I can't get up \$50,000." Well, I'm sorry but that is pretty much how the cookie crumbles.

(6) Be ready to make changes in your attractions operations schedule and almost a retraining of your employees. Not really, but it almost seems like you have to retrain your employees. You tell them, "Now, this is the way we are going to run this ride." And you are coming out with a television show, and they want to run the ride backwards, and the employees say, "No, but I was trained to run it this way." It's almost that extreme.

The hours are very erratic; demands almost seem impossible at times. Those are about six things that I think are involved in putting together a television special. There are some things that we have learned at Opryland that we want to show you. I have about a 2½ minute film clip that I wanted to show you all today. It is a clip that we will be using at things like civic club programs, where we have people call and say, "Come and tell us what's new at Opryland."

(Film shown).

CHMN. FREEMAN: Thank you very much, Ed, for sharing with us what you have been able to do at Opryland. I think those of us in the business know that Opryland has enjoyed unique success in your particular subject matter today. I'd like now to move to our panel discussion and I don't think the gentlemen to my right need a lot of introduction, but I would like to make a few comments about each of them as we go into it. In the interest of time, I will be brief. Larry Cochran--Vice President and General Manager, Six Flags Over Mid-America. He's been with the park system now for over 15 years and been very successful both at Six Flags and in the industry. Truman Woodworth, Vice President and General Manager of Marriott's Great America in Santa Clara to be open in March of '76, I believe. He began as a \$15 a week mailboy in the Disney organization back in 1937. He rejoined Disney in '56. In '69 he joined Cedar Point in Sandusky, became president of Cedar Point in 1971 and then in late '73 joined Marriott and has been overseeing the construction of the Santa Clara project. Next, I'd like to introduce Mr. Charles Thompson immediately to my right. Mr. Thompson is Senior Vice President with McCulloch Properties. He began in 1950 with the Stanford Research Institute. In '54 Mr. Thompson joined Disneyland and was involved in the scheduling, budgeting and basic research for the Disneyland project. In '57 he joined Marco Engineering and was involved in amusement park planning all across the United States. In 1960 he joined Great Southwest Corporation, which is the parent company of Six Flags, was at one time Vice President and General Manager of Six Flags Over Texas and Georgia. In 1968 he went to McCulloch, where he was responsible for the erection of the London Bridge. He now has responsibility for planned communities of McCulloch. Next, I'd like to introduce Randall Duell, Chairman of the Board, R. Duell & Associates. Randall is a licensed architect. He's had 25 years experience prior to theme park, beginning in the motion picture industry. He began in the business with the Six Flags Over Texas presidency in 1960, and in '63 formed R. Duell & Associates. This man has been described in the Encyclopaedia Americana as the number 1 force in themed park architecture in the world today. Gary Wachs on the far right, Vice President of Taft Broadcasting. Gary really grew up with the old Coney Park in Cincinnati, began there in 1961 and moved with it when it became Kings

Island in Kings Mills, Ohio. He was Vice President and General Manager of Kings Island and the same in their newly opened park in Richmond, Virginia, Kings Dominion. Wayne Wilson, President of Economic Research Associates. Wayne received his bachelor's from Duke and MBA from the University of Southern California. He's been with ERA since 1966.

That is our panel. I think it is a most distinguished one. I'd like to review with you the format very briefly. We have some prepared questions. We didn't feel like it would be very interesting to put some questions to this panel that everybody agreed on generally anyway. So some of them are fairly controversial, and we hope to have a number of different opinions. I would like to say that the questions, the way they are posed, do not necessarily represent the opinions of the association or myself. They are posed in the framework of a productive learning session for all of us. We will have a brief discussion among the panel members as I read these statements. When it looks like that's winding it down, we will then turn to the floor for five minutes or so to try to field as many questions as we can before we go on to the next question. At the conclusion of our prepared questions, if we still have time, we will then move to any question from the floor that you might want to entertain.

The first question is, "Is the popular pay one price concept in trouble? It no longer seems cheap as it once did, and inflationary increases and labor, operating cost, advertising and the cost of capital improvements will bring about its proper demise." Related questions to that particular statement might be, "How high can a one price ticket go?" and "What alternatives are available to us?" Gentlemen, I'll let anyone of you that want to, to start on that one. I know that this is an area of concern for a lot of people in the theme park business, so fire away.

MR. CHARLES THOMPSON: I think the one price admission is going to continue to be a success. It's going to depend on two things. One is how many rides are you giving the customer for the amount he pays for that one price? I happen to know that these rides that the people keep statistics on gave me anywhere from 10 to 18 rides a piece. That's rides and/or attractions. So if you can figure that a park is giving 18 rides a piece and if the going price is 50¢ and they are getting \$9 worth of rides and the prices are, say \$7.50, which is about the average one price, you are giving them a good bargain for their money. If you have popular rides and you've got 30,000 people in your park and the Corkscrew, only 50% can ride it, then there's a question as to whether they are going to give you good word of mouth and say, "I paid out there--they have a great Corkscrew ride out there, and it is a two hour wait. It takes too long to ride it." Then, I think you've got to watch your word of mouth, and then you may be in trouble on one price admissions. That's the customer standpoint, which is the main, most important, to keep the good word of mouth going for you.

On the other hand, you have a slow day and all those rides keep just as busy. They are going to continue running all the time. It's going to run your maintenance up and it might be better if you were selling tickets on some ride. But the questions you always get back, we have never been able to answer--maybe some of these other gentlemen do--if you were charging 75¢ for a flume ride, would you be able to carry 10,000 people a day on it? And I think that's what you've got to answer for yourself. I would say how high can they go? When we got into the business back in

'55, we thought a good ride was worth 25¢ and if you gave everybody 10 rides, then they had to clear \$2.50 value, and that's about what the ticket was. I would say now that the price is between 75¢ and \$1 for a top ride. If you are giving 10 rides, \$7.50. It can go as high as people are willing to pay, 75¢ for a ride or \$1. I think you have got to mainly watch the word of mouth you are getting from your customers and be sure they are getting their money's worth and not going home and telling their neighbors, "Don't go out to Six Flags any more; it's not worth it."

CHMN. FREEMAN: Charlie, do you think it is possible that we could have a one price ticket and yet charge inside for selective rides which I know is a conflicting statement. It wouldn't be a one price ticket, but it would be a 95% one price ticket. Is that an alternative that you consider?

MR. CHARLES THOMPSON: It's an alternative, but I don't see how you would ever make it work because you are getting another price after you are getting them in, and that would be awfully hard to advertise.

MR. GARY WACHS: There's no question that in our major theme parks today, the value is there. But we are raising questions in our organization on the ability of the lower income group to afford our parks regardless of the value. The value can be there; but with inflation taking its toll in the lower income group, we may be losing some attendance at the bottom. We are trying to do some long range planning so if in the next two or three or four or five years we find that inflation is really giving us more trouble than it is now, we might well explore large or capital inputs; instead of putting \$1 or \$2 million in the year, skip a year and put something large in the park every third year, \$5 or \$6 million magnitude. Now, we have experimented with this in the park in Richmond, Virginia, Kings Dominion. We have a Lion Country Safari section in that park. We have a monorail that takes people through there, and I think our capacity on that is somewhere in the neighborhood of 1,800 an hour. It's a 20 minute ride, so it's a pretty significant attraction, I think, with the monorail and the installation costs and the animals and everything else, it's about a \$6 million input. So we decided with that much of an investment at stake we almost had no choice but to try, so we did and we charged \$1 per patron. Our ridership is in the vicinity of 60% to 70% of the park attendance. And that ride grossed over \$1 million this year. Now, your comment is well taken. You have to advertise it. We did the best job we could to announce this in advance in every brochure and every TV spot and every newspaper because it's somewhat of a credibility gap when you call yourself a pay one price park. But here again, with inflation, we think we have to think in new ways. And fortunately this worked out very well in that park. I hope we have an opportunity to try it elsewhere.

MR. LARRY COCHRAN: Gary, to that end, do you not feel that you were actually selling two types of theme park. By that I mean, you were selling what I would consider a theme park or entertainment center, a thrill park, and you are also selling your Lion Country technique that you tried? What kind of response did you get on this?

MR. GARY WACHS: The Lion Country section of the park was our first year preview center. The park as a whole opened in 1975, this year. And the Lion Country Safari section is a previous center that opened in 1974. But now it really is one park. It's one

theme park, and it's advertised as the Kings Dominion although on a large sign out front we do have a Lion Country Safari as a hold-over from our previous center. But we think of it in terms of one theme park. And there just happens to be an outstanding attraction in our park that we think we can charge for, and we are very glad to say it just plain worked out for us.

CHMN. FREEMAN: Obviously. The matter of taking that same dollar charge and applying it to a ride is a question of a little deeper scope.

MR. GARY WACHS: I think it's harder to do on a 60 second coaster or a 30 second ride. But if we can ever raise the money to build a dark ride or very fine animation ride for \$5, \$6, \$7 million, I think we'd have the courage to charge for it or try and charge for it.

CHMN. FREEMAN: I think one of the attributes of the pay one price has been that you take a park and it is open a minimum of 12 hours during the main part of the season, and you charge a one price ticket. If you apply simple division to that, you come out with a cost ranging from 50¢ to say 75¢ an hour, and that's always translated into pretty cheap entertainment, really. The quality most people get--it's difficult I think personally to get the guests to relate to that or get them to go through that math. I think what they relate to more than anything else is how does it sound? Six dollars sounds good for all day and everything I want to do. How does \$8 grab them and how does \$8.50 or \$9 grab them? A few years down the way we're looking at that if we can stay with this one price. And that really, I think, is one of the key elements in this discussion. How high do you think it can go, I mean, dollar wise? Has anybody got an idea? Is it \$9 or \$10? Is it double figures? What is it?

MR. LARRY COCHRAN: I don't think any of us has the answer to it today. I think price is one of the hardest things in our business to research. Before just arbitrarily raising the price of our tickets, we have to consider what effect it will have on our local market. I think you've got two different breeds of cats here; you are talking about tourists that come into our park and then you try to penetrate your local market. I think this goes very much back to what Mr. Thompson was talking about, is how long are our guests going to stay in the park? When you start taking a look at the in-park in our Six Flags type of operation, you've got to take into consideration that that in-park revenue is generated--52% of our business is within what we call our local market. And this is the business that we cannot lose. I think one of the things that has really helped us in St. Louis is all of our professional sports are kind of setting the pace for us. One of the things I'm talking about now is professional football in St. Louis, to get an average seat in St. Louis is \$10 now, plus you pay \$2 to \$3 to park, so when you put us on an eight, eight and a half hour stay on a sale of entertainment versus what you pay to see a football game or a movie or a basketball game, I think we are still a darn good value.

MR. WAYNE WILSON: Larry, it seems to me too that the approach you've been taking with the parks with the two day pass or discount is probably going to become a growing trend. I think part of that is because over the past five or six years, the length of stay of parks has gone from five and a half up to eight hours. And the admission price has gone up commensurably. So on a cost

per hour basis, maybe, it's held pretty steady, but I think there's got to be a physical limitation, how long can people stay.

MR. LARRY COCHRAN: Wayne, I think this will play an important part in the price of tickets and also it will play an important part in where our guests come from, especially if we go back into what we all faced last year in the energy crisis where we tried to advertise and promote a mini-vacation, is to come to St. Louis and spend three, four days in St. Louis and enjoy the park for a couple of days while you are here.

CHMN. FREEMAN: One other alternative I'd like to throw open to you. We talked a lot about how high the price can go. I know some of you have some feelings about expenses and tremendous cost right now of significant capital improvements. It seems a major ride these days begins somewhere around not less than \$1 million but more like two or three or more. You can't just keep adding those to a park complex, amounts to \$70 million. Also, the cost increases have been fantastic in our business over the last two years in particular, I believe, and I know some of you have some feelings about maybe we're providing too much. Will there have to be some move toward cutting expenses by doing a negative thing, perhaps taking something away from the guests. Any thoughts?

MR. LARRY COCHRAN: I feel very strongly that the philosophy of operations at St. Louis over the next five years has got to change. By this I mean that with the minimum wage keeping going up every year and our expenses, operating expenses, going anywhere from 8% to 15% and our revenues are just not keeping up with it. And I think when you get back into the price and not only your tickets but your food and beverage, gifts and souvenirs, we may be reaching the height of our price structure right now. And in order to counteract this, I think we have to take an overall look at the philosophy of operation of the theme park. And by this, I mean, where shall we cut the line on keeping the park clean? That's hard for me to say because I think we've built a lot of our success on cleanliness of the park and the landscape beauty of our park. But with everything keeping compounding on us, pretty soon we are going to have to be taking a look at it to see if we spend \$250,000 for landscape, we may have to cut that back to \$150,000 or we may have to cut what we call our grounds keeping corps, we may have to cut that back from 150 guys per shift to 60. So I think we definitely have to take a look at the philosophy we are now operating under just to try to offset some of the inflationary expenses that we just have to face over the next couple of years, taxes, everything.

MR. WAYNE WILSON: I think I'd argue with you. I think it's very dangerous to try to consider cutting back in terms of the appearance of the park. But I think maybe in the same vein of what you are talking about is as theme parks constantly regenerate themselves instead of making a physical expansion, maybe the addition should be internalized so that you are not expanding your acreage, you are holding tight on the minimum acreage you need to service the grounds since maintenance costs and all other operational costs are pretty much directly related to the amount of space you've got to cover. To me, that's kind of a partial solution to it.

MR. CHARLES THOMPSON: I always felt that we started, when I was at Six Flags, duplicating popular rides. If you've got two flume rides and you've got a slow day, you close one of them down and save labor. I think, by the same token, you should analyze the

maintenance cost on every ride you've got and measure that to capacity. And I would start eliminating those low capacity, high rate maintenance rides. I think maybe you can reduce your overhead that way. A lot of people have disagreed with me. Say you have two of every ride in there, you're not getting the value of your buck, but you can sure cut your operating costs when you are not crowded, and you give everybody the same rides. If you've got 50 different rides, you've got to have 50 rides open if you are advertising every ride. You've got 25 of them duplicated, you've got half of them out when you have low crowds.

MR. LARRY COCHRAN: I think this is very true. I think if anybody in the theme park analyzes their salaries and wages, they will find that the seasonal salaries or wages run better than 50% of the total. I think that's what I'm trying to say when I take a look at cleanliness of the park and the operation, just the overall philosophy I already have.

MR. TRUMAN WOODWORTH: Larry, I'm going to keep our park clean; you can let yours get dirty.

MR. LARRY COCHRAN: I didn't say I was going to get it dirty. I said I wasn't going to keep it as clean as it is today, possibly.

MR. TRUMAN WOODWORTH: I'm sure Charlie remembers this conversation. I think he was there, but we were walking down Main Street with Walt Disney and we were discussing our per capita. And it got up to \$3.50. And Walt said, "How high can we really go?" It's the same discussion we are having here. And it was \$3.50, and he thought we had reached our peak. So it can go as high as everything else does. Sports events, as Larry mentioned, and other things relating to entertainment, I think if we can keep pace with that and still give them their value and keep it clean.

CHMN. FREEMAN: I would like at this time to open questions from the floor. You may address them to the whole panel or to anyone in particular.

MR. BOB NICHOLS: I would like to have Wayne Wilson expand a little bit his ideas on the internal expense he is talking about.

MR. WAYNE WILSON: Well, what I'm saying is, when you are trying to regenerate the park, there are some rides or attractions that, let's say, aren't popular or are losing support, particularly a passive kind of attraction, has little appeal to it. So you replace it with something that has more pizzazz or whatever. And I think, too, that also in addition to replacing areas within the park, there are oftentimes gaps within the interior of the park, dead areas that can be filled in. And I would certainly take the approach of filling in these as opposed to making physical expansion beyond the boundary of the park.

A VOICE: I'm in a park called Jones, Michigan. We are a little bit different from theme parks as have been discussed. We don't have any rides, which makes it a little strange. But what we did is we bought the town of Jones, Michigan, which has been a ghost town, and restored it. And we do a lot of live shows and, of course, historical restorations and crafts. What kind of rules of thumb, if any, can there be for judging price based on these things other than rides because it would seem the number of rides was the main thing that you were using for determining price?

MR. WAYNE WILSON: I think what Charlie mentioned, he mentioned both rides and attractions. But I think also there is another measure that some people agree with, some people don't. And that is cost per hour. It seems to be a very useful indicator of value except when the length of stay consists of primarily waiting in line. But I think that many attractions can be evaluated on the length of stay and there is a high degree of comparability between say, amusement parks and major theme parks on how that runs, like \$1.40 per hour, for example, for total per capita spending. And as I said, the cost per hour is beginning to take off. It used to be fairly steady but then, at least, in the major theme parks, as their length of stay can't go much beyond eight or eight and a half hours, then it's got to go up.

CHMN. FREEMAN: Do you feel that a park without rides could charge a one price admission?

MR. WAYNE WILSON: Sure. I don't see much difference in that. I think that the problem possibly with the pay one price is where you do not have adequate capacity to handle people, then you are going to have a high frustration level. I think that's why Disney probably goes to a multiple pricing because with the crowds they get, and some of their major rides can handle maybe 1,000 or 1,500 an hour, there is built in a tremendous frustration level with pay one price. I think another possible interesting thing that could be happening is that the development of mini-parks and some of the amusement parks upgraded into more of a theme park status, we are going to have admission prices or POP prices that are closing in on the major theme park, or I think, within a few more years, they will begin to. And I think that might be kind of interesting because you could have a \$4, \$8 or \$12 million park with maybe 80% or 70% of the price of the major park, and yet the difference in investment could be 4, 5, 6 fold.

CHMN. FREEMAN: If you are right, some of us are in the wrong business.

MR. TRUMAN WOODWORTH: I'm not familiar with this gentleman's park, but I don't think he has the same problems exactly in inflation that a ride park would have. You don't have the inflated cost of rides and maintenance. You may be fortunate you don't have rides.

MR. CHARLES THOMPSON: One more thing. I'm a great believer of word of mouth. If you have a park that's just attractions and no rides and you very carefully screen those people to see what they are saying about you when they leave, you will know when you start to overprice them. I think that's the only thing you can go on, if you want to keep charging until they scream.

MR. WAYNE WILSON: I'd like to ask Larry or Gary if they feel they are seeing any price resistance. Frankly, I haven't been able to detect much in the way of price resistance.

MR. LARRY COCHRAN: No.

MR. GARY WACHS: We aren't seeing any at the front gate. I think we are typically seeing it on food, but I think that's fairly standard industry wide. But our prices have been extremely conservative at the front gate, at least, our price increase. We started at a \$6 gate in Kings Island in 1972 and we are only up to a \$7 gate in 1975. And that averages to 4 1/4% a year, which I think is very conservative. We have no complaints whatsoever on

the front gate. As Charlie says, it's the word of mouth, and really it's the product on the long run. And as long as the product's there, we're confident. We're going to raise our prices at Kings Island and Kings Dominion at Richmond to \$8 next year, and we feel comfortable in that because we think there is a product there. But what I really don't know is the number of people out there that aren't going to come to the park. You can't survey the park; you can't survey people and find out attitudes, studies, if they aren't coming to the park. And this is the area that we are a little bit worried about. How about that family making \$8,000 to \$12,000 when food prices are up 42% across the board in three years? Somewhere that begins to take a crack at our industry. We've raised our front gate $4\frac{1}{4}\%$ in three years, so so far we aren't worried about the patron that comes to the park. We think there's still some room to raise the gate. We can see going to \$10 in the next few years, but we are worried about the bottom half of the economy or the bottom third of the income group.

MR. TRUMAN WOODWORTH: Gary, do you get any resistance from charging children the same price as adults and then you don't give them the value inside?

MR. GARY WACHS: No. In 1972, we had a big internal squabble in our company about that and I think rightfully so because we were going against every tradition in the United States. Here again, we felt that we had to experiment because we didn't think there was much to lose because if suddenly we had a hundred complaints at the front gate or a thousand phone calls, we were going to drop that one price and go to a child's price, but we had to test--we tried it and because we had a lot of good children's rides, to my surprise, we had no problem at all, no complaints whatsoever.

A VOICE: Could I have a point of reference? Could we hear your 1975 prices so we could relate to that, on your pay one price?

MR. TRUMAN WOODWORTH: \$6.95 and \$7.95.

MR. LARRY COCHRAN: \$7.50, one price.

MR. GARY WACHS: Kings Island would be \$8.00.

A VOICE: Secondly, Woody, would you care to comment on Gary's feeling about the lower income, losing the lower income at the \$7 and \$8 and \$9 level? And I make reference to that because Woody and I are neighbors in San Jose. They are building a \$60 million park, and Frontier Village is \$2 $\frac{1}{2}$ million park. And our attendance is about 450,000. And our pay one price next year is \$4.50 for adults or children. But we do have a ticket plan also.

MR. TRUMAN WOODWORTH: I'm not worried about it. I don't know if I can really truthfully answer your question. But I don't think that we are at a point yet, where the lower income families are going to resist our price. I think that may come about some day, but I don't think it's here right now. Somehow the people find the money to do, even during the Depression that many of you in this room remember, people still found money for entertainment. And I think the same thing exists today.

CHMN FREEMAN: Thank you very much. Item number 2--"Now that our industry has become firmly established, we are beginning to be attacked. We have become the target for ride manufacturers, insurance companies, labor unions and professional associations.

They consolidate their knowledge and attack us individually. What can we do?" What are your thoughts?

MR. GARY WACHS: I think it is an obvious problem. We are now growing up, and we have attained size and stature. We are much more visible as an industry than we used to be. And like any other industry or any other organization, when you obtain a certain size, you are going to be under attack somewhere, somehow. And I think, broadly speaking, we can start communicating. We have a lot of common problems that because of our size are not problems of the smaller amusement parks. And I think there are a number of ways we can increase this communication. As an industry, we still aren't terribly competitive although in some cases I think some of the parks may be a little bit. But there are a lot of industries that are competitive that have formed formal associations or federations or some sort of contact where they can communicate their problems and gear up to the extent that when something comes down the road of a severe nature to the industry, they are ready to act on it as a group, strength in numbers.

MR. LARRY COCHRAN: I think also one of the things we can do, when we purchase, not only from rides here but from any manufacturer, that we should start stipulating to a contractual agreement with the manufacturer that we can look into the future to really expect them to keep their specs the same as what they sold us rides for. For example, that we don't start changing shafts on different kinds of pumps, that we don't start changing the size of axles. This creates a problem for us at inventory levels. However, when we buy things that we may have the only ride or one of ten rides in the United States, we are somewhat handicapped or handcuffed to the point that we are at the mercy of the manufacturer.

One of the problems that we had on the flume ride this past year--we had a motor burn out so I called Errol McKoy, who is general manager of our park in Georgia, and said, "Errol, send us your flume ride motor. We just had ours burn out." So he threw it on a pickup and got all the way to St. Louis and the shaft size was different. We've got to have research, we've got to have development. I guess what I'm saying is you can't stop the progress. But when we buy a ride, maybe we could be able to keep the specs the same as what we purchased on the rides. Then we don't have to have obsolete inventory sitting around.

MR. TRUMAN WOODWORTH: I don't think we are having it any different from many other industries. The ride manufacturers have their problems, they have the same problems, all of these that you have mentioned here; and they don't have any choice but to pass it on to us, the same as insurance companies and so forth. I think it's just a question of watching your costs, your labor costs in particular and everything that you do. I don't think we are being attacked.

MR. CHARLES THOMPSON: Wouldn't it be nice to know what all the other parks are paying in insurance premiums before you start negotiating?

MR. TRUMAN WOODWORTH: I don't think that you can do that because it wouldn't do me any good to know what Disneyland was paying. I happen to know. Everybody's situation is different.

MR. LARRY COCHRAN: I can give you one good example of where bring-

ing several parks together has, I think, improved the power to negotiate for us this year. And this has been with ASCAP, the problems that we have had with them. We brought all our parks together and we have tried to collectively negotiate the best deal for not only the theme park but eventually the whole entertainment business.

CHMN. FREEMAN: Any questions from the floor on this? If not, we'll move on to another question, which is somewhat related. "Theme parks have been described as organizations of intense pride. Most parks want to do their thing their way. Even though few theme parks compete directly with each other, there is very little cooperation among them. Is this healthy or harmful to the industry?"

MR. LARRY COCHRAN: I would only suggest you change the word "cooperation" to "communication", because I know that at Taft Broadcasting parks we have learned something from every person on my left, right down the line, beginning with Charlie Thompson. And I think there is cooperation when you go out and ask for it. I just don't think we have any good means of formal communication that acts as preventive medicine for problems that are going to come down the road in two or three years. I think we are a new industry and we are constantly reacting and we have got to get some kind of an organization that allows us to handle these things.

MR. TRUMAN WOODWORTH: I think we do cooperate. I think it's a good word. I don't say that we do it to the fullest, but those of us who work closely together, if one of us has a problem, he calls up, if he needs a motor or a transformer and we have it, we see that they get it. And I think that we have worked close together with people. We are not going to necessarily furnish a flume motor to somebody that never will have one. But I get calls all the time, and I call people all the time, and I've never been turned down for any information.

MR. LARRY COCHRAN: We just don't tell you the truth, Truman. I think there are certain degrees of information that we very definitely share now, that we really need to look into the future to share with each other because what it means to all of us is dollar savings. For example, we all now are falling under the OSHA regulations. I think if any one park is inspected and they find things at least the rest of the industry should know about it. Secondly, I think for us to have a safety committee in this industry would be one of the greatest things that we could provide. What this means is it drops our insurance rates every year if we can run a safer park, plus, the closest thing to us is we don't get that person hurt in that park. And I think we are all very safety conscious. I think we have also seen good examples of how we have come together to work as a unit. Year before last when we were all faced with the energy crisis, we went to Washington. We screamed and raised enough heck up there, before we got out, they realized what a business this was and how vital and how important it is to the economy of each state. We may be working together more than people realize, but we are kind of fragmented. Maybe the question is, should we pull together organizations and groups to represent us so that we all know that we are represented?

MR. TRUMAN WOODWORTH: I'd like to take offense at the safety part. We do have a safety committee, and I happen to be chairman of it. One thing I would like to tell you. The question has come up many times since I have been connected with the IAAPA, and that is why don't we have some system whereby an operator has trouble with the ride, somebody's been seriously injured or he has made a change in

the ride, safety change of some kind, but it actually is an accident--reporting this would help all our members. We've talked about this for at least 15 years that I'm aware of, and one of the reasons that we can't do it is our legal consultant told us not to. If we start to put out a bulletin to say so-and-so had an accident, we would then have to have a communications system where somehow we would have to know about everyone of them. Once you start, you have to do it 100% of the time or you are liable. It's just human nature, if you do have an accident, that you don't like to tell the whole world about it, so it's a hard thing to do. And again, you have to do it 100% of the time or you can be liable for that one time you don't do it.

MR. WAYNE WILSON: I'd like to discuss one idea. Looking at the major theme parks maybe as a single media, where if you combine the major theme parks and take their areas of dominant influence and could get national coverage for say a major consumer company, this would certainly give a high degree of cooperation, which would be very difficult to accomplish given the individual self interest of each park's marketing department--I think marketing is probably the most sensitive element when it comes to cooperation. I think certainly safety--cooperation is important there because it helps everybody in terms of insurance rates. There are areas relating to financial liability of attractions; they are important because that affects the way the banks look at the industry, and it is looked at as an industry. But I just thought I would throw this idea out and see what you think.

MR. LARRY COCHRAN: One of my big feelings on what Wayne is talking about, trying to pool all parks together for a major marketing thrust, is that we do have self pride, we do have the pride of accomplishment. And even though Gary and I work very close and Truman, Marriott of Chicago, works very close with, we are still in competition with those markets between St. Louis and Chicago, between us and Cincinnati. And one of the problems that I see, trying to pull the industry together from a marketing standpoint, is that if we corner anything in St. Louis, if we feel it is worth a quarter of a million people to us, I'm not going to get on the phone and call Gary and say, "Hey, I've got the greatest idea in the world. If you'll get right on it, we'll share that middle market." Nor would I expect Gary to do me that way or Truman.

This is the problem that I see in trying to pull a group together. I just don't see it working in our industry from the standpoint of marketing. The other things we have talked about, I am in agreement with.

CHMN. FREEMAN: Just to kind of change the pace a bit but also to add a very meaningful part to this workshop, we have a slide presentation, which is the product of R. Duell & Associates, having to do with the history of theme parks. I believe it is 12 or 13 minutes. I've seen it. I highly recommend it. We have Ira West here. I'd like Ira, Vice President of Duell & Associates, to give us a few comments or introductory comments, hopefully, about the presentation. At the completion of that, we have two further questions that have a direct bearing on architecture and what's happening in theme parks today. So I think this would be not only a good change of pace but also a good foundation for the questions we are going to entertain.

MR. IRA WEST: We put this slide show you are about to see together last year in our office. It was done at the request of the Ameri-

can Institute of Architects of which group we are a member. But we don't do what almost all the other architects in the country do. We are really in show business. We use architecture as the means to accomplish it. So this was for their benefit. It was geared to them and explains to an architect just what a theme park is, or at least, what our impression of a theme park is. The slides you'll see in the latter part of this show represent parks we have either designed from scratch or parks we have gone into and remodeled. I think it's self explanatory and I hope you all enjoy it.

(Slide show presented.)

CHMN. FREEMAN: Thank you, Ira. That excellent multi-media show more or less leads us into the two final questions that we have prepared. "A general sameness in theme park rides, attractions, architecture and operations will eventually destroy the industry's uniqueness and ultimately cause the demise of some of the weaker parks." Questions to that statement: "Is this a legitimate concern?" An additional question: "Has the lack of forward or master planning contributed to the sameness?"

MR. RANDALL DUELL: The sameness, I think, could come about by lack of master planning. But I think more serious things, as far as looking ahead in the master planning, is more serious than the sameness. It sounds like you don't have imagination enough to do two parks. I don't believe that. And the master planning or the future planning, whichever you want to call it, I think is terribly important. So I suggest very strongly to think ahead, not only of what's going to go in but the area it's going to fit in and what's going to be needed there in the way of utilities and things that you can prepare ahead of time to save yourself a lot of headaches and money for you down the line. That's the way I see it.

CHMN. FREEMAN: Let me ask you a question, maybe a couple of questions. Do you detect a sameness today in theme parks? Now, I don't necessarily want to confine that question to architecture.

MR. RANDALL DUELL: I don't know how you describe sameness. If you are talking about the physical look of it as far as landscaping and architecture, no. I don't think it's the same because no two sites are the same. Magic Mountain, for instance, is a bare sand hill which you started with and you developed everything, whereas Opryland, you have a lot of beautiful trees. And I don't feel there is any sameness between those two parks. If you put two park sites by each--in the same terrain or the same problems, they might be the same, but I don't think they are the same.

CHMN. FREEMAN: A question that comes to my mind, and I might inject here is, when theme parks began, say, in the mid '50's and early '60's, a theme park was really an incredibly unique item. And now of course because of the success of theme parks, there is a lot more of them, and typically they all have clean grounds, nice landscape. Most of them have a pay one price policy. They typically have so many shows--some have a little more; some have a little less--and really I guess the question might be, is this significant, you know? Is this significant now or will it be significant in the years to come? Will we have too many of them? And will the fact that the combination rather of having too many having those similarities bring about problems in the industry in terms of success of the various parks?

MR. RANDALL DUELL: The number is too many? I wouldn't know. But the sameness, I just think that there is no way they could be the same. Every time you deal with a different group of people and different site, you've got a different--and I think, after all, the thing that we are doing, as our film pointed out, we are designing architecture as such; we're designing entertainment to take care of these people.

CHMN. FREEMAN: Are you designing an environment?

MR. RANDALL DUELL: An environment and atmosphere. I look at it as an atmosphere rather than architecture.

MR. TRUMAN WOODWORTH: I hope Randy hasn't forgotten that we are building two exactly alike.

MR. RANDALL DUELL: But there again, you have two completely different sites. One is flatter than a pancake and the other has a lot of roll to it, so no matter how much you try to make them alike, they are going to be different.

MR. WAYNE WILSON: I really think it is a matter of degree because most major theme parks have a fairly comparable mix in terms of the major rides, the flat rides, they have a few shows--and a lot of shows are certainly different in detail but similar--generically, they are similar. I think probably the important point is there might be too many parks. As the number of parks increase and they are similar to one another, then I think it makes it probably more difficult for the initial parks who are drawing from 600, 700 miles to extend their draw and to effectively capture the tourist market to the extent that tourists come into an area and they have something similar at home. It kind of takes the urgency out of that visit. On the other hand, when you look at the tourist market, I would think that more of the specialized kind of attractions certainly are kind of a viable alternative.

MR. LARRY COCHRAN: I agree with Mr. Duell that architecturally none of the parks are alike. But one of the things I have found in our research that we do, we have begun to be compared to other parks, and I think this is something, as we saturate the market, that we've all got to be careful of. I think we in the industry have got to take the initiative to move forward with some R & D to come up with some new rides. You know, everybody loves a winner, and we have a tendency to lean to the rides that have been proven and that are successful instead of taking that extra step, to bring in new rides and help the ride manufacturers develop, initiate thought within our own parks so that we can stimulate thought within the ride manufacturers.

I think we have got to keep going forward. I don't want to see us reach a point of stagnation. We've got an ocean of talent in this room and I think we should be using the talent that's in this room to giving AREA development, to be giving these guys--fill them full of ideas and let them come up with what's better for our business.

MR. CHARLES THOMPSON: Parks are going through a cycle. It was unheard of to have games in the park. Now, we've all got games. It was unheard of to have a roller coaster. If we haven't gotten them, we are getting them. It appears to me that when you ask what the kids like or what you like about visiting any park, the three things they like--first they like best the cleanliness,

either that, or it's the landscaping or it's the young people that are running the park. They may not be in those three areas, but isn't that still the top three things they like about your park?

There's only so many rides that you can have. You've got to continue trying to be original in how you dress them, what kind of a background you give them. But I think 90% of it is landscaping, architecture, the setting, how you train your kids and the showmanship you give. That's something we haven't touched on much here is showmanship. You can have two identical rides and get different reactions on just how you operate it. Wardrobe, that's very important. I think there is a sameness, but I'm not worried about it. I think it is a cycle. I think we will all come back to the roller coasters. When people quit riding roller coasters, we'll tear them down and build up something else. And I can't see any problem.

CHMN. FREEMAN: Let me interrupt just a moment and go ahead and read the fifth question because it's so closely related. "The one time strict adherence to theming is degenerating. So-called theme parks are beginning to add fair and carnival attractions without regard to theming. Any place that adopts a pay one price ticket policy is calling itself a theme park. What is a theme park and is there any significance to being a theme park?"

MR. RANDALL DUELL: I don't think it's quite right to say it's degenerating. I'm sure they're adding the carnival rides and the coasters and the corkscrew rides and all the things that we were opposed to in the early stages. But it has only decreased our design problems to come up with ideas, to dress out the streets and marquee the rides in such a way that the person that doesn't want to go into the ride and ride still has a pleasant experience of going down the streets and the park like atmosphere. I think as long as you keep that I don't think we are going to degenerate.

MR. LARRY COCHRAN: I think originally a theme park was something that we built around history, we built around sections within our park. For example, at Six Flags, we definitely built it around the six flags that have flown over Texas. You can sit at Six Flags Over Texas today and look down the street and you can't see over 200 feet in front of you. So to me, this always led me to believe that the paying guests that come into the park, when they get to the point of intersection, they've got a different world that could be waiting for them any way that they want to turn. I think this builds in-park stay. I know it builds in-park stay because a guy can walk within a circle for an hour and a half and you don't ever get without a hundred foot radius. I think it's something that's awfully important to parks and something I think we should stay with. What a theme park is, I really don't know.

CHMN. FREEMAN: Is it an entertainment center? Is that a better description?

MR. LARRY COCHRAN: I think we in the business at Six Flags have somewhat gotten away from the word "theme." I think we're selling entertainment today. I think we all are. But I also think that themed entertainment may be what we are talking about, back to the six sections of the park, you know. However, I don't think a guy will enjoy a flume ride nor will he enjoy a roller coaster any more if it's in the Spanish section or the U.S.A. section. But I think architecturally it's got to support the ride.

MR. WAYNE WILSON: One determinator is that the theme park simply has a broader appeal to the family unit than a pier or a midway for a variety of reasons, I guess.

MR. TRUMAN WOODWORTH: I can tell you, if you are going into a new area and building a theme park, that you'd better add something to it or you're going to have a lot of explaining to do. For two and a half years I've been trying to tell the people in the San Francisco area what a theme park is. We added a couple of things--to either call it a Themed Amusement Park or Family Entertainment Center or something like that, because most of the people don't know what a theme park is.

A VOICE: I understand some of you people up there at the table have a policy at your establishments involving no refunds and no rain checks. I wonder how you do it?

MR. LARRY COCHRAN: Very carefully.

A VOICE: Are there any exceptions to your rule?

MR. GARY WACHS: There aren't any that I know of.

MR. LARRY COCHRAN: There is--and I speak now for Six Flags Over Mid-America--there is an exception for us. If we have any type of unavoidable injury, if a person gets sick within, say, two hours after they have been in the park--it's a judgment call, believe me. But at times, yes, we do override that rule.

CHMN. FREEMAN: The man asked how do we get away with it? Anybody want to touch on that?

MR. LARRY COCHRAN: I think you just do it. You make some people mad. We make people mad every year, but when you put the rules down--

A VOICE: I'm dealing here with a very personal thing. Maybe we are sitting one place in the country, which is unique, I don't know. When we have a rain problem, it is our fault and people come down, thundering down in great numbers. We tried a policy of no rain checks. Immediately there would be 100 people say--one is appointed the lawyer for the group, and we have a problem. What do you do?

MR. LARRY COCHRAN: We just don't give them to them.

CHMN. FREEMAN: To be a little more specific, I think we all do a lot of signing out front before they get in, that wording prominently in front of the guests. I think we all print it on our tickets. As an additional thing, I've tried to reason with the guests and explain that it is nothing we are ashamed of. It's a policy--we do display it prominently. And one of the key reasons is that if you are going to have a theme park or a park like I know, you are open every day, rain, shine or otherwise. You are there, and if it rains while you are there, you are going to stay because typically it doesn't last all day. Now, other people that have rain check policies have a little different criteria. What I try to say to them is, "Give me the definition of rain." Is it a mist, is it a ten minute down pour, is it a monsoon? What is rain? What's rain to you may not be rain to me. The only thing that I have found that works, particularly when you are in a specific situation, where you've got people there in front of you,

is that you do your best to reason with them. You are there. You are going through the expense. You might say also, this gentleman was someone in the park and they had travelled 300 miles to visit you and it came a mist and you closed the place down. How would he feel about that? Most people wouldn't want their money back; they'd like to stay. They drove a long way to get there. I don't think there is any escape from reasoning. But I think you have to do the other things, you know. You have to prominently tell the people, even advertise, you know, in the proper way.

MR. CHARLES THOMPSON: One think we used to do on our raincheck is that immediately when we saw that it was going to rain, we put A frames out in front of the park before--no rainchecks, so anybody could see that it was getting ready to rain, would know it before they got in. There were cases where we could not satisfy them. And we gave them a card of David Blackburn. If they were mad enough to write Mr. Blackburn that they had been to the park and they had only been there 30 minutes and it started raining, if they took the time to write that letter, we slipped them tickets by the mail. But you don't do it at the front gate.

A VOICE: I might add the fact, we don't close rides when it rains. It's also a key factor, I think, in our defense of our rain policy.

MR. ERROLL MCKOY: Errol McKoy, Six Flags Over Georgia. We also do not close rides when it rains, and that's a good point in our favor as a sound reasoning point for not giving a refund.

MR. GARY WACHS: I think that's why 40% of theme management has receding hairlines which exceeds the industry average. Also, I think since theme parks are funded by publicly held companies, you have to define a theme park as a park by which the management spends one month a year worrying about operations and eleven months a year worrying about the budget, the bottom line, earnings per share, return on equity. I think there would be general agreement with that. There is an awful lot of work, supplying the needs of the publicly held organizations. I might say that as far as the sameness of the park, I don't regard that as a problem either because there's still some 16 or 17 major theme parks in the country today, and I don't think that's in any sense an overproliferation of theme parks, when you think of the country as large as it is, there's over 200,000,000 people in the U.S.A. I don't think there's any chance of a strong increase in theme parks because they are regional parks and they depend at least upon a 150 mile radius for their support and the cost of the parks is going up so sharply. But I think everyone would agree that there just isn't going to be a large building program any more in the theme park industry. You might have one or two or three more. But even if you have 20 or 25 theme parks, that isn't a proliferation. They are still 300 or 400 miles apart, average. So I think any question about the sameness is probably not relevant so far.

MR. WAYNE WILSON: I'd like to make a point on that. Gary, you mentioned 16 theme parks, and I'm wondering where you draw the line. There are a lot of "amusement parks," which have been upgrading continually. At what point do they go from being an amusement park to suddenly being knighted a theme park? We probably have 30 or 35, 40 plus theme parks unless you want to use a dollar amount. Most of your major theme parks probably are in the forty million; but there are a lot of theme parks around twenty-five, so I don't know. Maybe it's a moot question. I think there is a lot of minor or smaller attractions that are emerging into this

field, very silently maybe, and we're not that much aware of it.

MR. GARY WACHS: I wouldn't argue that point except just to say that the policy, we consider parks for the reproduction costs anywhere about \$35, \$40 million. And these are the parks in the country today that we try and compare ourselves to in operations, in architecture and size and so forth. A theme park is a park with reproduction cost or investment of \$20 million, incorporating some of the things we are talking about today--pay one price and a lot of landscaping, regional draw, and that sort of thing--but our organization generally regards 16 or 17 parks with an investment over \$35, \$40 million as theme parks.

MR. CHARLES THOMPSON: Any park that draws over a million-two or million-three has got to be a pretty important park, whether you call it theme or not.

MR. LARRY COCHRAN: I think you can have a theme park that costs a million dollars if that's what it is, if it is themed and designed to the best capability and it functions as a family type of entertainment. I think it very well can be a theme park at a million bucks.

A VOICE: My question is, with the recent popularity of the more or less thrill rides, your roller coaster, your new Arrow rides, is this an indication that the audience profile at the theme park tomorrow is going to get more and more like the motion pictures with the teenager dating group as compared to the true family entertainment complex? It seems like those corkscrews, coasters and even the flume has a limited usage when you take the broad age ranges that you theoretically design a park for.

CHMN. FREEMAN: I'd like to comment on that question a little bit. I think what most theme parks are doing, both in terms of the promotions and the ride that you describe, is working against a segment of the market which is, we will say, the most leverageable, and that tends to be, this day and time, the younger market. They seem to have money; they seem to have transportation; they seem to have the desire to have that kind of enjoyment. Most of the activities I see personally in the industry are directed now toward the younger guests, the teenager, the 13 to 21 year old.

MR. CHARLES THOMPSON: I think it's just now forming a market for those young adults. When we first took polls of who our paying customers were, there were less than 12% in that bracket. Now, I imagine it is much higher. I think you can overcompensate and go back to nothing but young people if you get too much hard rock and everything. I think it is perfectly balanced now, but I think it could very well go over the other way.

A VOICE: I'm from Kentucky and we have a park that is nine years old, a small theme park. And we have never used any kind of credit cards. I would like to know what percentage of your gate business is from credit cards, approximately what percentage of your income is from shop sales as a result of credit cards, and I never see them use credit cards at food, and I am sure at fast food it would take too long.

MR. LARRY COCHRAN: For our park in Mid-America, we do about 8% of our front gate business on credit cards, but we do not accept credit cards anywhere in the park but at the front gate only. We think the success of food stands or gifts and souvenir stands is

how fast you can run the cash register. We will not accept credit cards in the park because it slows the operation down by the time you go through the imprint process. We use three major credit cards, by the way, at the front gate.

MR. TRUMAN WOODWORTH: We plan to use the three major credit cards at the main gate, at certain sit-down restaurants and in the shops, the merchandise shops. I can't tell you a percentage because we are not open yet.

MR. GARY WACHS: I guess ours is about 5%, but ours is an accommodation. That's all it is.

MR. LARRY COCHRAN: We think there is a psychological thing with using a credit card at the front gate. If a guy comes up and sees that he can put \$40 or \$50 on a credit card, it frees up money for when he gets in the park if he wants to buy the kids gifts and souvenirs and extra food items.

CHMN. FREEMAN: That's probably one of the strongest features for it.

MR. FIRESTONE: You ask the average man of the street what a theme park is; he doesn't know. He says, "Oh, that's a big, large park, big large amusement park." That's the only definition that he has. He doesn't know what a theme park is. And I still say that a small park and a theme park are the same. It's the same old potato salad with fresh mayonnaise on it. They've brought it up to date.

A VOICE: I'd like to ask you gentlemen where your biggest market segment is. We talked about the teenagers, but what family--I assume a couple and what age children--where is that big segment that you aim for in your publicity, your marketing, your approach?

MR. LARRY COCHRAN: We aim at the 19 to 34 year olds with two kids, basically within a hundred miles. Here again, keep in mind, this is the most important market we have, 50%.

CHMN. FREEMAN: Is yours any different, Gary?

MR. GARY WACHS: At Kings Island about 80% of our people were 45 years old or younger, so we really don't appeal to too many people 50, 60 years old. Maybe it's just too much hiking. I don't know. But we think that we have a balance. And that's the key word when you charge \$8 at the front gate. You have to have a balance, something for the kids, something for the teenagers, something for the families, something for the grandparents. We have a \$2 million theater, we have a roller coaster, we have a porpoise show, and so on, to maintain the balance.

MR. TRUMAN WOODWORTH: I think the key word is to gear your advertising to who makes the decision to come. You have to find that out first. I think it varies. But it is interesting to find out who makes the decision to come.

MR. GARY WACHS: One thing, as long as you don't overcompensate, the thrill rides and the exciting rides really help the night time business, and we find at Kings Island and Kings Dominion people stay a lot longer if they have them--because I think at night time you do have the kids, more or less; and it's helped the night time operation quite a bit.

CHMN. FREEMAN: Ladies and gentlemen, we have run out of time, and I would like to say that I am speaking for all of the panel members. What we have done here, be it a little different perhaps from listening to speeches or people talk about more specific things, we sincerely hope that it has been meaningful to you, at least some way. We tried to touch on today type problems and questions. And if you don't mind, I would like you to join me in thanking the panel members who have come from all over the country to be here today.

... The workshop adjourned at 5 p.m. ...

GAMES WORKSHOP

THURSDAY, NOVEMBER 20, 1975

SOUTH BALLROOM

The Games Workshop convened at 3 p.m., Alf Phillips, Jr., Canada's Conklin Shows, Toronto, Ontario, Canada, presiding.

CHMN. PHILLIPS: Madames and Messieurs, welcome to the Games Workshop. It is an honor for our company to be asked to chair this meeting.

Canada's Conklin Shows has operated in the amusement industry for over 50 years principally in Canada with a few operations in the United States. We're in the amusement business. In the game business I have found that most of the good ideas come from the United States.

Today we have come to exchange ideas with you. It's not very often that you get as much talent in the game business in one room as we have today. Now, we'll present our planned program; and after each presentation we will ask for a question and answer period. Then, at the end we'll ask for your participation to relate any new ideas that you may think would be of interest. The concept of the workshop--and it will become obvious as we progress--is themed games and corporate sponsorship.

Now it's my pleasure to introduce the panel to you. Our panel is comprised of some interesting and attractive experts in the game business. Each one has a special interest in some area of the game business. We have asked them to come today to expound on those areas, so that you can benefit from their expertise.

From Cedar Point Amusement Land located in the Buckeye State of Ohio, may I present Dianne Ohly, Administrative Manageress of Games, Dianne.

From Hawaii, the Manageress of Games of E. K. Fernandez Shows, Linda Fernandez.

Representing Bob's Space Racers, manufacturers and operators of group games, water games, from Holly Hills, Florida, Jack Mendes.

Now, at this time I would like to move right on with the program. I'll ask Dianne Ohly to take over.

"The Training of Game Personnel"

by

Dianne R. Ohly, Cedar Point Amusement Land, Sandusky, OH

MS. DIANNE R. OHLY: First of all I would like to thank Mr. Phillips and the staff of the IAAPA for giving us this opportunity. We brought along our training presentation; and this is what we use to orient new employees as they come into the games department. Because all games are different, it's a general orientation. We do extensive training in specific areas on an individual basis.

I think I would just like to go ahead and show the presentation. And, I would be glad to answer any of your questions.

(Slide presentation)

Welcome to the Cedar Point Games Department. This presentation was designed to help you understand the operation of our department and will cover your typical working day. Perhaps you haven't had any similar working experience. Don't let that worry you. We will be available to help you in any way.

All our personnel wear assigned uniforms. Uniforms must be kept neat and clean. Name tags are to be worn as part of the uniform and are available at the Games Office. The required footwear for games personnel, with the exception of leasing agents, is navy blue deck shoes or white nurses' or waitresses' shoes. The deck shoes are available for purchase by employees at the Wardrobe Department at cost, if you desire to buy them there. We will not allow sandals, bare feet, open-toed or open-heeled shoes.

You will be given your schedule and place of assignment after this program. All personnel must punch in and out on the time clock located in the Games Office Lobby. Time cards will be placed in the rack by the game to which you are assigned. Your card will be verified by your games agent. The agent is required to keep a time sheet recording your time to turn into the office each night. We will give you specific instructions on the use of the time clock when you report to work. You must punch in prior to your shift's starting time. You will be paid from the time your shift starts.

Cash Control. Each game is assigned a change fund. This fund is picked up at Cash Control prior to the opening of the game each morning. If you are responsible for picking up the change fund, report to Cash Control, present your I.D. card and request the change fund for your game. Upon receipt verify that the correct change fund has been issued. Count all currency individually. Count the number of rolls of each coin denomination and calculate the dollar amount. Report any discrepancy to the Cash Control Personnel. Do not accept the change fund if a discrepancy exists.

Go direct to your work location from Cash Control. When you reach your location, put the money in the specified place. During the course of the day Cash Control personnel will pick up cash from your game. You'll be notified of the time in advance. The agent in charge of your game may designate you to count the cash and list it on the cash control card for pickup. All currency to be picked up must be pre-counted, faced, bound by denomination and listed on the cash control card. This is done on the front of the card only. No coins will be listed. The card along with the money will be placed in the cash control bag which has been provided to you by Cash Control prior to pickup. This bag will be locked by

you. You must ask the person picking up the bag to show you proper identification.

Handling cash in the game. All change aprons are kept in the game and in no instance should be worn outside the game. You will be given a designated amount of money from your agent in order to make change for guests.

At no time should you hold in your apron excess amounts of coins or bills, especially large bills. These should be turned over to your agent or put in the designated place during the hours of operation.

Stock. Each game agent is responsible for keeping the game fully stocked and displayed at all times. This is a sample order book which is used by the agent to order stock from our warehouse. Orders for stock are ordered by the game by the warehouse supervisor on checkout sheets. Each game is assigned specific order dates. Orders must be placed prior to 6 p.m. in the evening, and stock is delivered in the morning.

When the warehouse men arrive with the stock, the agent or designated person will verify the count of same and sign the charge slip. It is very important that your stock order is checked with the stock being delivered.

Cleanliness and displays. It is extremely important that the game's facility be kept clean and well displayed. In part this is to counter the reputation that many games operations have acquired for being dirty and poorly maintained.

A bright attractive display is all important to the successful operation of the game. As many prizes as possible should be used in creating a good display. When stuffed animals are used, they should always be displayed so that the animal is facing the prospective player. As much as possible prizes should be awarded from stock bins or back rooms to keep the display in tact and as full looking as possible throughout the day.

Inventories. Inventories are taken regularly. This is a sample inventory sheet that you will be using. Agents are notified in advance when we will require an inventory. This is usually done at closing on Sunday night.

Dingers. In most games there are dingers which must be activated on every play. The dinger is rung each time there is a play made in the game. Readings are taken daily by the supervisor and turned into the Games Office to determine the number of plays. This amount is compared to the actual cash turned into Cash Control.

Operations. As a game's host or hostess, your job is vitally important, because the success of any game depends first on its operator. Most midway games can make some money with an attendant. But, with an enthusiastic well trained operator the receipts can be astonishing.

You must be very encouraging to your guests to bring them into your game. Once they come in, be sure to explain how to play the game and how the prizes are won. If there are any questions later, refer them to the sign.

Keep signs clear and unobstructed at all times. Once guests

have started playing, it is your job to keep them playing. When they win the biggest prize, do not automatically pull your largest prize. Instead, give them a choice of anything in the game. Sometimes they will prefer something else.

Every time you have a winner be sure to let everyone know that this has happened. In other words, make an effort to emphasize the fact that you have a winner.

Often games look easier than they actually are. It then becomes the operator's responsibility to restore the confidence of the guest in himself and in the game.

If you have a maintenance problem of any kind, call the Games Office immediately and report it. At closing all employees on that shift will clean and help to restock the game before leaving.

Turning in cash at closing. The procedure for turning in cash at closing is the same as for cash pickups in terms of counting, facing, binding, and listing cash on cash control cards. Return the cash bag, which has been locked by you, to Cash Control Personnel at the proper window location in Cash Control. Sign name and I.D. number and cashier's signature in the returning column of your sign-in sheet. Leave only on approval of Cash Control Personnel. Turn in agent's time sheet to Games Office. You then may punch out and leave for the day.

Our supervisors are always available to assist you in any way and to answer your questions. We urge you to contact them for any reason you may deem necessary.

Are there any questions? I brought down a manual. It was a last minute thought. It was from 1975, and I'm sure we didn't have enough. The manual that you found there is what we give to new employees as they come in.

A VOICE: Do all your games have bells to ring each time a player plays a game?

MS. DIANNE OHLY: All the games are metered.

A VOICE: Doesn't that slow down your operation when you have a crowd there?

MS. DIANNE OHLY: Well, there is a theory that it slows down the operation. However, it's like anything else. You have to have some controls. You wouldn't think of running a merchandise stand or food stand without a cash register. We are looking at a different kind of a dinger. However, we feel that they are necessary.

We're looking at something that would be on a meter, meters; but would be so that you could read in the office. It would be an electronic system, but it wouldn't change the idea that every time you took 50¢ or whatever you would still have to pull that dinger.

A VOICE: How do you determine what closing time is, and how much time do they take to sweep up and check out from the time they punch out?

MS. DIANNE OHLY: The park generally closes at 10. Now, if we have a lot of people in the park, sometimes we stay open till 11. That's

common Saturday nights in July and August.

Games are the first thing in at Cedar Point. That's the first area that you pass and the last out at night. So, generally, we stay open anywhere from half an hour to an hour later than the park.

I wouldn't think it takes them more than 10 minutes to sweep up, because we're only talking about the immediate area. We're not talking about a general maintenance.

A VOICE: What happens if the number on the meter does not coincide with the money turned in?

MS. DIANNE OHLY: Well, in most cases the meter readings are generally over the money turned in, because as the gentleman says, it does tend to slow down the game. And, where they're taking money that fast, they don't pull the dinger on every play.

We try to control it. We simply emphasize that it has to be done. But, beyond that there's really no particular action taken unless we think there is a problem other than that.

A VOICE: Who watches the ringing of that? Do you have spotters or supervisors?

MS. DIANNE OHLY: We have supervisors.

A VOICE: How would you work it if one game had two different prices? Coke ring, for instance.

MS. DIANNE OHLY: Well, if it's a quarter game, which it is, they pull it for each quarter, regardless of how many rings.

A VOICE: What do you do when you catch someone stealing?

MS. DIANNE OHLY: We fire them.

A VOICE: Do you do it out the back door where no one knows about it?

MS. DIANNE OHLY: Well, we bring them in the office and confront them with the fact; and they're dismissed. But, it's not done in any kind of a public manner, no.

A VOICE: Do you ever press charges?

MS. DIANNE OHLY: Cedar Point has pressed charges in some instances.

A VOICE: Do they have to make restitution?

MS. DIANNE OHLY: Yes.

A VOICE: Do you use polygraph?

MS. DIANNE OHLY: No, we don't.

A VOICE: Why?

MS. DIANNE OHLY: We have never considered using polygraph. Do you mean as a general part of our policy or in an instance where we think someone is stealing?

A VOICE: Any place that they handle money.

MS. DIANNE OHLY: No.

A VOICE: What is approximately your percentage of stock loss--stock used?

MS. DIANNE OHLY: Most of our games are geared to run at 25. A few run higher. Birthday games run at 45. We have a couple of others that run at 35. But, the vast majority are geared to throw 25%.

A VOICE: How do you pay your kids?

MS. DIANNE OHLY: They are paid a base rate as seasonal employees, whatever the park rate; and the park pays 15¢ bonus per hour. And, the idea of the bonus is to make sure that they stay the whole season. We give them an employment contract. If they tell us they're available from May to September and they fulfill that contract, they're paid the bonus. If they don't, they're not paid the bonus.

In the Games Department we also have what we call house agents. We run two kinds of games. We still have lessee agents, and they are working on a straight commission, less their labor costs. Then we have young people, college age, seasonal people that we put in as an agent in what we call a house game. We have been paying them 3% plus their salary.

Now, this year we're looking at a different program. And, if we go into it, everyone working in our house games would be on an incentive depending on their level of responsibility, a percentage of the gross in addition to their base rate.

A VOICE: What do you receive from the lessee?

MS. DIANNE OHLY: Well, now the first two years in most cases, there are some exceptions, but most of the games, the lessee was at 25%, less insurance, utilities, his draw, the labor that he used, in other words, the seasonal people that we hired. They're on our payroll, but we charge him by the hour for that help. So, it varies. It depends on the operation.

A VOICE: A minimum of 25%?

MS. DIANNE OHLY: That would be the maximum.

A VOICE: If the hourly wage was \$2.50 an hour, in other words, you would add another 15¢ an hour if he stays the rest of the season?

MS. DIANNE OHLY: A seasonal employee, yes.

A VOICE: I see. In other words, on your leased games you pay all costs. You take all costs off, and then your lessee received 25% maximum?

MS. DIANNE OHLY: Yes. Now, that may not be the case this year. We haven't formulated what we're going to do in the case of the lessees this year as far as percentagewise, but it has been 25 less utilities, insurance and all the labor costs. And, if the game threw more stock than what it's geared to, that also comes

out of his payoff.

A VOICE: Who determines what it's supposed to throw?

MS. DIANNE OHLY: We do.

A VOICE: How do you determine that?

MS. DIANNE OHLY: Well, based on the history of any particular game.

A VOICE: Suppose a new game came up?

MS. DIANNE OHLY: Well, we would arbitrarily assign it a stock throw that we thought was reasonable. If we found out it isn't done at that, then we would make an adjustment.

A VOICE: If your agents give less than 25%, don't you charge them for it anyway?

MS. DIANNE OHLY: Well, we aren't actually charging them for anything as far as stock is concerned. We buy, warehouse, and control the stock. They order stock from our warehouse. It's on paper. We're not actually charging them for stock. The games are geared to run at a certain percentage. If they throw more than that, we take it out of their settlement. But, we encourage a 25% stock throw.

A VOICE: That's what I mean. If they throw less than 25% on paper, don't they pay that anyway?

MS. DIANNE OHLY: If they throw less than 25%, it doesn't affect them one way or the other.

CHMN. PHILLIPS: Thank you, Dianne. Before introducing our next presentation, I'd like to mention just a few words about merchandise. I felt the players were trying to tell me something this past season. They were getting a little tired of that small 50¢ rag toy. Don't get me wrong. I don't think plush is dead. But, I think it needs other items to compliment it. To quote Don Miers of Cedar Point--he's vice president of merchandising and games. He said, "The difference between retail items, the items you buy for direct sale, and the items that are used in games is like night and day."

I visited a park last year, and they had a rather unique small prize. It was a live miniature turtle. You know, the kind the kids buy at the pet store. And, they had a problem with a drunk one night. He won. And, they gave him one of these live miniature turtles. And, he took a look at it; he put it in his pocket and he went away. Like every other drunk, ten minutes later he's back up in front of the game; and he won again. So, this time they gave him a 50¢ piece of that rag plush. He took a look at it; and he said, "No, no, I want another one of those crunchy meat pies."

Moving on in the program, it's my pleasure to introduce Jack Mendes, representative of Bob's Space Racers. Jack Mendes.

"Group Game Presentation"

by

Jack Mendes, Bob's Space Racers, Holly Hills, FL

MR. JACK MENDES: If there was a way that we could substantially increase your gross and thus affect your net and only use a part of your existing space, you would probably want to know about it. My purpose in being here is merely to share a few ideas that were instrumental in the success of our group game operation.

Group games, we feel, can take in the maximum amount of dollars in the shortest period of time. As you know, we play a waiting game in this business. We wait for them to get there, and then we hope they don't leave.

We use a minimum amount of space for a group game, 14 to 28 feet. A good group game operation has a maximum mechanical potential. In other words, it's capable of doing x number of dollars just by the way the game runs. It can only go so fast. We feel that its potential is so high that it's only the operation that makes the difference of how many dollars you take in.

Effective cash control meters, stock counts, metering counts, stock averages are available on group games, because of metering of player counts, metering of game counts; and from this you can determine a very accurate stock average; and you can determine exactly how much stock you want to throw. Some operations might want to throw 20%; some 30%. It depends on what you're set up for, what your area is and what you are trying to accomplish.

Also, we feel that group games take less help. And, with less help, of course, there are fewer problems and lower costs.

Now, one of the mainstays is the importance of the mike man. His job is not only to operate the game; but during the day when it might be slow, what we call winding is a very important part. He may only have a few people out there. But, if he can get one or two players in front of your game, it will draw the people. People draw people. It's like a magnet. People are not going to come up and play a game more than once or twice unless they feel good about it, they get excited about it. So, you try to develop as much interest and involvement with people as you possibly can.

Speed of the operation is very important. When it's slow, you need to slow the pace down, the operation of the game down. It tends to help to hold them. It tends to help keep them more interested and makes them feel like they're getting something for their money. When you're very busy, when you've got them stacked up seven deep, you need to speed up the game; speed up your operation. Make the whole operation move faster. This will generate a lot of excitement, because there are people out there.

Also, the mike man has to be in control of the game. The people who are playing the game can't run the game. He has to run the game. He has to keep all of the questions out of their minds, so they know what they're doing; they know what they're going to win. The less questions, the smoother the operation will go, the less arguments too.

Training of help is very important. As Dianne mentioned, it's a pretty good sized job. With us, we try to teach our people first off how to work an apron, set up an apron, make change. You know it only takes a few extra seconds to pull the money out of an apron and give a person change. But, those few seconds will add up at the end of the day. In our operation we take and have

our help have bills in one hand and quarters in the other hand. All they have to do is come by, put their foot on the foot switch, give them the change and go right on down the line. It takes very little time.

The handling of stock. Okay, it will help where the operator knows what prize is given. So, what we try to teach the people to do is to take the prize out of the stock bin, have it in their hand. As soon as you have a winner, you hand it to them. This saves time. Also, at the same time you inform them what the stock arrangement is, how they can win a bigger prize or whatever.

Also, we try to keep our help and operators on a very friendly basis with the players. You know, they can feel appreciated. Try to help get them involved in the game.

Merchandise, we feel, is a very important part of our operation. The amount of flash you have, the type of flash you're using, the display of it--the people who are walking down the midway or whatever, that's what they're going to see. They're going to see your flash, your background, this kind of thing. That's what makes them stop and walk in. If you can get them to stop and look at you, you've got half the battle won.

Trade-ins, build-ups, whatever you might be using is a very important part. An effective system like that will help hold them, have them stay and play a number of times. If they know they've won once and this is all they have to do to win something else they might want, they might be more apt to stay, if they understand the trading system.

The distribution of stock. They see the stock going out every 30 or 45 seconds or whatever you're setting up; this will help. They see the stock being won; they'll be more apt to play it seeing that stock can be won in operation.

We use the three item system, no matter how many players. We give one prize away. The first time you win--well, when you win, period, you get one prize. Now, this eliminates the amount of confusion. There are less questions. They know that they're going to get this prize if they win. Then, you can work out whatever system you want to trade. We use three of those and trade them in for a larger piece.

Public appeal, we feel, is a very important part of our operation. The first impression of a person walking up to your game, I think, will determine a lot whether or not he plays or doesn't play or how much he does play.

Clean operations. As far as you know the counters are clean, the stock is clean, the game is clean, all the units are working, all the lights are working--if it looks like it is together, it will definitely give a better impression when they first walk up.

The backgrounds. Backgrounds and toys that we use on our group games--again, it's like flash. They're going to see that; they're going to walk into it; they're going to take notice of it. What we try to do is we try to change our background as new trends and themes come up. Because when we first started in this business, Apollo 13 had just landed on the moon; and we came out with the first space racer. Now, I know how we got that silly name. Anyway, as the space program was speeded up, we came up with new

or more modern ideas as far as what today's people would be interested in.

As we mentioned a few minutes ago, we would like to share a few ideas with you. Now, a lot of these ideas are not big ideas; they're not earth shattering; and in themselves they're not going to change your whole operation. Most people are going to run their operation just the way they're running it.

I'd like to go over a few of these points. One, we feel a group game can take in a maximum amount of dollars in the shortest period of time. It takes a relatively small amount of space, 14 to 28 feet. It's effective cash and merchandising control. It's one where you can be sure of how much money was taken in.

The importance of your mike man, training him. Less help as far as fewer problems and lower costs. Your merchandise and your public appeal..

Okay, I'd be glad to answer any questions anyone might have.

A VOICE: What are the advantages and disadvantages of yours versus the water balloon game? Or, do you have balloons also?

MR. JACK MENDES: No, we don't have balloons. First off, on a water balloon game you have a fixed speed. You can't vary the speed without going through a lot of trouble. Ours, you grab one knob; and you can slow down or speed up the total speed of the game with very little effort. Also, you don't have the balloons. You don't have to put them on. You don't have to clean them up. And, you don't have to buy them.

We incorporate a foot switch into our operation for turning individual units on, compared to a button under the counter. Because, like I said, we have our counter help with money in both hands, so they can give out the change rapidly.

A VOICE: How much help is required in your slow and peak periods?

MR. JACK MENDES: This would be determined by the size of your game and also the size of your crowd. If you had, let's say, a 12 or 14 unit game on a relatively slow day, you would probably only need one person. If you had a 20 unit game, probably two. I'd say the maximum number on any group game, 24 units or up would be about three persons.

A VOICE: Plus the operator?

MR. JACK MENDES: No, three persons total; that would be the maximum. 99% of the time we would work with one or two on a 21 unit game.

A VOICE: What would be the maximum speed that you could run it if you were busy?

MR. JACK MENDES: We're set up so that the maximum time from the time you take the money, run the game and give out the prize should be no more than 45 seconds. But, we run it normally at about 30 seconds.

A VOICE: I'm talking about the game from the time you start to stop.

MR. JACK MENDES: About 4 to 14 seconds.

A VOICE: You said you use the same size prize no matter how many players you had?

MR. JACK MENDES: Yes.

A VOICE: What do you charge for the game and what value of prize do you give them? What do you do when you only have two or three players?

MR. JACK MENDES: As far as we're concerned, we don't care if there are three players. We start at three and go as high as 21. We figure it all averages out, which it does. And, we're using like a number one bulldog for our first prize.

A VOICE: About 40¢?

MR. JACK MENDES: Forty to forty-two cents.

A VOICE: You charge a quarter?

MR. JACK MENDES: Yes.

A VOICE: What's your stock average?

MR. JACK MENDES: It's determined by the number of players. If you're having a busy day, your stock average will drop off some, because you're getting more players, but, it should average around 20% to 25%.

A VOICE: You say you have one knob with which you can speed the race up or slow the race down?

MR. JACK MENDES: Right.

A VOICE: If I'm not misunderstanding, in a water balloon race you have a knob that you can turn the air up or down.

MR. JACK MENDES: I've never seen that.

A VOICE: Another thing in comparing the two games; do you have a problem on your games with one car or one player winning most of the races, one car going faster?

MR. JACK MENDES: No, they're electronically balanced out.

A VOICE: Why the foot pedals? You were against them when I put them in the first place.

MR. JACK MENDES: I've had no trouble with them.

A VOICE: Can a small park with not too many people going through it make a game like this pay off, or is a certain limit like in the number of people when they can be profitable?

MR. JACK MENDES: I wouldn't think so. You could just judge the size of your game to the size of your crowd. If you only have a small crowd, go to a 12 or a 10 unit. But, this way you would get your investment back out.

A VOICE: From your experience how much more appeal does a group

game have over a conventional game?

MR. JACK MENDES: I think it has the appeal to the effect that you have a better crowd just walking in. That's a good question. I feel that it has quite a bit better appeal. First off, you're getting more stock out; and you have less people walking away mad. The other thing is the way the prizes go; they know exactly what they're going to win. You have less arguments and less problems.

A VOICE: How much time does it normally take to return?

MR. JACK MENDES: Again, this will be determined on the size of the operation. I've seen them completely pay for their investment in a month. Then, I've seen them take a year. It all depends on the size of their operation, they should have no problem.

CHMN. PHILLIPS: Thanks Jack. We talk about control in workshops every year. Controls on inventory, controls on merchandise, controls on money, dingers, ring up the customers. I want to show you a device that I captured this past summer from a young fellow. I don't know who you can show this to but, this guy was hovering around our dime pitch. It's a magnet on the end of the cane. And, every time a dime hit the plate and fell down, he was very busy outside picking it up. One of my most prized possessions. I should have hired a kid with a mind like that.

We'll move on to our next presentation. It is verbal, and there are some slides with it. I call on E. K. Fernandez Shows, Linda Fernandez.

"Games From Hawaii"

by

Linda Fernandez, E. K. Fernandez Shows, Inc., Honolulu, Hawaii

MS. LINDA FERNANDEZ: Thank you and aloha from Hawaii, ladies and gentlemen. For the past ten years I have been operating games for E. K. Fernandez Shows. We are headquartered in Honolulu, Hawaii. We're the largest and oldest company in Hawaii. We are basically a mobile carnival operation. We operate anywhere from three rides and five games to 25 rides and 40 games.

Because of our lovely weather, we have an 11 month season; and we play to about 900,000 people a year. Because of the size of our population, we have a unique carnival operation in that we operate everything in-house. There are no concessionaires; there are no commissions. We pay wages and salaries.

But, because we play to the same limited population year after year, we have had to develop a very good games operation. It's obvious that you need repeat patronage. But, to give you an indication of our success, we do have a \$2.25 per capita at our major fairs.

Today I would like to pass on a few of our ideas and techniques that have helped us develop this operation and hope that they might be applicable to you.

First off, we look at our game operation in two ways. Not only is it a great source of income; it's a super source of entertainment. People like to play games because they win prizes and they like to have fun. Number two, we are careful in selecting a set of games to be operated at specific events, so that everyone

has something they like. There should be games for adults, games for children and games for teenagers.

Some games are more fun for the customer to play than others. A skee-ball alley with nine balls for a quarter is a lot more fun than 50¢ a dart in a one dart game. So, in order to compensate for this, we will run the skee-ball at 20¢ and a one dart at 35. Now, you have a chance of having two good games.

Number three, although some of you may not recognize our brand of theming, we do have a theme. The theme is carnival. I think good carnival is the best theme there is. It's traditional. It's easy to understand. And, it's very profitable.

Bright lights and games and merchandise and music and all the excitement and fun that we can generate is our purpose. Other themes for games can be a real plus providing the theme does not subdue or hide the bright lights, flashy colors and other hokum that makes a good game stand out. Don't apologize for what you are selling.

Number four, a person plays a game on impulse. Therefore, we locate our games out front in the highest traffic area possible. We use parallel lines with the center games and lineups across from each other with 20 to 25 feet between the two. You need good traffic flow, but you do not want to lose that intimacy and excitement that is generated by the crowd when they're elbow to elbow. What you're looking for is the intimacy of a well designed cocktail lounge instead of the void of an aircraft hanger. It is this excitement that turns your spectators into enthusiastic players, per capita.

Number five, because we have no competition on our midway, we normally try to hold down the number of games, and we very seldom duplicate. We do believe in big games. Our center games are 16 feet wide and 24 feet long. And, most of our lineups are 16 foot front footage or 20 foot. Our theory is the number of games and to push up the average income of each game at any given event.

During slow periods a fewer number of games can be manned by less people, while during busy periods 8 or 9 people can work a 16 or 24 foot game. This theory does not really apply to most other carnivals; but it might apply to parks.

Lighting. Lighting is critical. And, we all realize that a game operation must be well lit. But, most of us do use a lot of fluorescent lighting. I think that this does not accomplish our purpose.

In 1973 we purchased game trailers. They have fluorescent lighting. Our game trailer unit did not do as well as our other regular unit. I think we know the answer. We're going to change it all to incandescent or color corrective fluorescent bulbs.

Music plays an important part also. Music for games works the same as it does for rides. But, the tune you play is very important. If you play a ballad or a waltz, things are going to slow down. If it is up-beat, happy music, the customers feel the same way; and your games move along at a nicer rate.

Uniforms are very important; but in a carnival like ours we

have to be practical as well as ideal. So, we do not have the luxury of having complete uniforms; but we do have a T shirt with our symbol. Our symbol is the giant teddy bear, which is synonymous with the game business. The shirt has helped promote a spirit in our employees; it's a good advertising; it's neat in appearance and provides easy personnel identification for the public and the staff.

So far we've looked at a number of things that helped us with our game operations. But, now let's look at the most important one of all, merchandising. If you do everything else wrong, merchandise it right. A basic definition of merchandising is how you sell what you sell. And what we are selling is prizes and fun. In the final analysis a game is just a way of selling a customer some merchandise.

The following points, I believe, are important when it comes to merchandising. You should buy good merchandise at the best possible prices. This doesn't mean close outs or seconds. They have their place; but they are the exception and not the rule. I believe in special and custom merchandise, giant large pieces, one of a kind. Making a particular piece out of domestic plush when it is normally out of Japanese skins. This is one way also. We have been very successful with this approach. Our customers come back every month or two just to see what new things E. K. Fernandez Shows has brought to their particular event.

I think you should be alert to novelty items, something that would be timely. This year we had a fish. It started off as a dolphin, but it ended up as Jaws. I was out of the fish, and I had it like a month and a half. We were able to capitalize on the timeliness of this item.

It's very important to have a variety of merchandise. I insist that each game offer a distinctive group of merchandise and that the items are as unique as possible. When you control all of the games, you may find it easier to have only 25 items. Inventory is easy this way, but pretty soon all of your games begin to look like the very same teddy bear. Don't fall into this trap.

Finally and most important is what percentage of gross revenue is being won by the customers in prizes at retail value. We try to give our customers 65% to 75% of retail value. We run our own cost of goods sold at 25% to 35%. The closer you come to giving a person retail value the higher your game volume will climb.

We operate a spot board at our major fairs. The cost of goods sold is 45%. Therefore, the customer is getting a 90% retail value. Needless to say, this game was the highest volume at the fair.

Now I'm going to show you just a few slides on what I think is good merchandise.

(Slide presentation.)

CHMN. PHILLIPS: Thank you, Linda. I have an idea I would like to relate to you before we go into the final presentation which is on themed games and corporate sponsorship. The idea I have has to do with skee-balls. And, most parks have them. I thought why not have a national skee-ball championship. You know, we could have a winner from each park playing in regional play and moving on and playing in national play. Then, we get a corporate sponsor; and

maybe he could come up with some of the money and divert some of the costs for the participants to travel around and play off for these titles. Not a bad idea, because most parks have a skee-ball operation. If it ever develops, don't forget us in Canada.

I would like to introduce the final AV, audio-visual presentation. It's on corporate games and themed games or corporate sponsorship. It's entitled "Everyone Loves to Win." Technician Doug Hall was involved in putting this thing together along with our design company, Grafeco; and they should be congratulated.

(Film presentation)

"Everyone Loves to Win"

Put two strangers together in a darkened room and leave them alone long enough, and they're going to invent a game.

Welcome to the wonderful world of games, a world where everyone loves to win. The early shows crisscrossed North America by Model T and train. Their mobility meant that the early shows could be here today and gone tomorrow. Unfortunately, a few of the original games operators exploited that mobility. They ran the risk of rigging or gaffing their games, knowing that by the time the townspeople or trustees caught on the show could be 40 miles down the line.

And, so, because of a few unsavory but unforgettable characters, games operators have spent 30 to 40 years polishing their tarnished reputation.

Canada's Conklin Shows is one of North America's earliest and largest amusements. Fifty years ago we pioneered a whole new philosophy of fun, everybody loves to win. Our games have always been fun, but never funny. Our parks are always overflowing with prizes because everybody loves to win.

Today in a single season Canada's Conklin Shows plays more than 50 parks and playgrounds, plus the world's largest annual exhibition, the Canadian National Exhibition. And in a single season we give away more than one and a half million in prizes.

But, enough about us. We're here today to talk about games. And, as time permits to share a few secrets of our success. The first consideration when discussing games is a study known to sociologists as psychographics, determining who your customer is, what are his or her likes and dislikes; then designing a game to appeal to that type person.

Our midway market is made up of 10 to 34 year old singles and young marrieds. Consideration to, and possibly the most important consideration of all is simplicity. Making something simple is hard work. It's human nature to want to complicate things. But, in the games business where the decision to play or not to play is made in a split second, every element of the game must be super simple: simple to play, simple to win, and from my point of view, simple to operate.

Most successful games feature competition with self, with others or with lady luck and some very visible means of a player measuring how he won or how close he came to winning.

Having decided what a game will be, we then frame our game,

knowing that certain games work well on a strip with other games while other games work best as free standers in the middle of a midway off by themselves. We frame the game in the sense that a carpenter frames a house. In designing structure we make certain that it's open and airy. Counter height is critical, as is the distance between the player and his center of attention be it the target, the wheel or the backboard. The game must be framed so that it can accommodate a crowd. Yet, on a slow day three or four customers must also feel comfortable while they play.

Now that we've framed the game, we must flash it, sell it with a name and colors and backdrops and lights and sound, the same marketing techniques used by every successful retailer in search of the impulse sale. To that end Canada's Conklin Shows brings our games people together with creative people, people with years of games experience working with people who have proven market experience. And the result is very flashy.

Flashing a game includes two very important elements, people and prizes. Knowing our market as people 10 to 34 year old singles and young marrieds and that young people identify with other young people, we staff our games with college kids we find through our recruiting program. Every winter we visit universities and community colleges to enlist over 2,000 young people we require each year. Each of our recruits goes through basic training prior to receiving a Conklin games uniform.

Prizes, they give our purchasing department nightmares, because people, unlike the games they play, are unpredictable. For example, this red bull was the most wanted prize during our 1973 season. In 1974 the bull was obsoleted by this brown buffalo, who in turn was replaced by a white polar bear in '75. We've seen an overnight 300% to 400% increase in business for a game simply by changing the featured prize.

Over the past five years we've also seen our cost per unit for feature prizes rise from \$1.50 to \$16. Consequently, a lot of planning goes into the purchase of prizes, long discussions with manufacturers and our games management group.

In our operation prizes represent 30% of gross. Framing, flashing, people and prizes. When they all work together we have a themed game. Every component of the game is consistent with the central theme.

Here's what we mean. Let's assume our theme is Canada's Arctic or it could be the U.S.A.'s Alaska. People associate adventure and wealth with the Arctic. Our game will be based on the quarter pitch. It will be free standing. We'll use an aluminum and plastic panel geodesic dome to give the shape of an igloo. We'll add color, whites, cool blues and silver is identified with the Arctic. Then, lights, lots of them, clear and blue frosted incandescents plus two or three strobes, all arranged to accentuate the unusual shape of our structure. People in crisp white uniforms. The prize, a white polar bear. And, the name, Northern Lights. And finally a hypothetical corporate sponsor who fits our theme, Dairy Queen. Corporate sponsorship of themed games, a possibility being explored by Canada's Conklin Shows and a number of national advertisers.

More than ten million young people visit our parks each year. Ten million young fun seekers is a statistic that most corporations

and their advertising agencies can understand. Through sponsorship the corporation provides the funds to create new, even more imaginative and attractive games. We in turn introduce the corporation to ten million people all in a very positive frame of mind.

Here's a hypothetical example of corporate sponsorship of games, the sponsor, Coca Cola. But, it could be any bottler of soft drinks. It will be a ring game. The object to toss the ring over the neck of the Coca Cola bottle. The name of the game will be rings and things. And, thanks to the magic of fiberglass, our game will resemble a larger than life carton of Coke. We'll extend our theme to include exclusively Coca Cola prizes, the Coke caps, styrofoam Coke picnic coolers, and can music, transistor radios designed to look like the familiar can of Coke.

Games, they're becoming a more important part of amusement parks, theme parks and corporate thinking because everybody loves to win.

CHMN. PHILLIPS: Thank you. I'd ask now for any questions.

A VOICE: How do you get the hat and the radio and such as that? Do you have to go through the dealer and see if they will be able to furnish it?

CHMN. PHILLIPS: Well, some of it is available; like, Coke does have a hat; Coke does have a styrofoam cooler.

A VOICE: What does the sponsor gain?

CHMN. PHILLIPS: We hope he would get exposure of x number of people annually at our fun places.

A VOICE: What would it cost to frame this?

CHMN. PHILLIPS: I'm guessing five to eight thousand dollars.

A VOICE: You're just expecting them to build a game for you?

CHMN. PHILLIPS: That's right. Our prime concern is for them to frame and build the game.

A VOICE: In 1974 we did a show in Cleveland called Youth Expo '74. We had Canada Dry as co-sponsor. They were picking up the theme of the midway with us; and along with this they were trying the show promotion, of course, in all of the radio and TV advertising.

CHMN. PHILLIPS: Yes, it can work; and I'm sure it's worked before. We're not talking about something that's never been done. It's been done in rides in our company. And, we feel that there is a market in games.

A VOICE: Let me phrase it this way. Suppose you build the game for the corporate sponsor itself, do you sell him the space; or does he compensate you in premium merchandise or how?

CHMN. PHILLIPS: Well, when you're scratching the surface, that's a possibility that could be explored. I didn't look at it that way, but that certainly is a method of putting this over. Maybe you're selling space.

A VOICE: In your themed games do you always feature a specific

prize, just one type prize; or do you offer an alternate choice?

CHMN. PHILLIPS: Well, we have specific games that feature one prize; and we have other games that feature other prizes. For instance, the polar bear at the Canadian National Exposition, we only had it in five games.

A VOICE: Do you also use a dinger? What do you use? How do you control?

CHMN. PHILLIPS: That's a very good question. When you get the answer, you call me, because I'm looking for it. We're working on it, and I'm sure you are too.

A VOICE: In recruiting your help from colleges did you find that their dress codes tend to vary from what Cedar Point might want to put across? I noticed in a couple of those slides that you had beards and so on. Do you allow that type dress?

CHMN. PHILLIPS: We have had the odd beards and long hair. We've gone through that. I guess everybody in the room has. We weathered the storm. It's not as bad now. But, we are a little different than Cedar Point, maybe. We would like for them to be neat. That's a very broad statement. We're not going to send a corporal guard out there to enforce it.

A VOICE: In looking into the corporate sponsorship, when approaching different corporations and requesting their assistance to you, in their marketing and advertising department and perhaps considering a national or international promotion for prizes to certain winners who play the game once or twice or how many times so that they might go to Hawaii or some other larger prize.

CHMN. PHILLIPS: That's a good point. I'm not sure I got you all the way. But, we have our own design house. I guess a lot of people here do too in big parks; smaller parks, no. So, maybe you would approach the corporate sponsor on advising them on how to design it and let them design it. But, they're going to need help because a lot of them have never designed a game before.

A VOICE: They have the research facilities. And, any time you have somebody do something, they do a much better job if they participate.

CHMN. PHILLIPS: Many times, yes.

A VOICE: I can see one problem with a sponsorship like this. They could exploit. They could see the profit in the games and get them themselves.

CHMN. PHILLIPS: Well, I think you've got that problem all the time anyway. I think that's a continuing problem. That could happen. It's a good business. And, I imagine that most people in the room here are in it. But, it's merchandising; it's display; it's promotion; it's everything.

A VOICE: Is the percentage you give away based on retail cost or wholesale cost?

CHMN. PHILLIPS: It's based on wholesale cost plus 10% for the stock room. You got to make money in that stock room. It's going out the front door; and it's going out the back door.

Anything further? I'd like to thank you for being a great audience on behalf of the panelists here. And, I'd like to thank the panelists.

... The workshop adjourned at 5 p.m. ...

INDUSTRY WIDE RIDE SAFETY DEVELOPMENTS DURING 1975

THURSDAY, NOVEMBER 20, 1975

NORTH BALLROOM

The Industry Wide Ride Safety Developments Workshop convened at 7:30 p.m., Thomas E. Spackman, Indiana Beach, Monticello, IN, presiding.

CHAIRMAN SPACKMAN: It's time to get the meeting started this evening. I believe many of you know the purpose of this meeting, but I'll repeat it just very briefly. I'd like to introduce Mr. Truman Woodworth, Sam High and Bernie Thomas. Sam High is with AREA and Bernie Thomas is with OABA and Truman Woodworth has pioneered the work of IAAPA on our legislative problems and actual production of a bulkwork, being a complete enabling bill. And Bob Ott of IAAPA is right over here. He'll have a word or two to say to you a little bit later.

First of all, Mr. Truman Woodworth.

MR. TRUMAN WOODWORTH: Thank you, Tom. First of all, I volunteered to do something that I don't normally do, but several of our members have been faced with ride legislation in the states, and I volunteered to rewrite what had been done up to that time. So as chairman of our safety committee for the IAAPA, the first thing we did was to develop some purposes, objectives and so forth. I'd like to read them to you, and then tell you how we've done on them.

First, number one was to develop the terms and definitions to be recommended to legislative bodies contemplating carnival and amusement ride safety legislation. These terms and definitions would in fact be a complete model enabling act. This material would be developed under the direct supervision of Truman Woodworth, chairman of the IAAPA Safety Committee. This material would be presented to the IAAPA Board of Directors for approval prior to distribution.

Two, the IAAPA would make available any safety legislation or any help available when requested by any member. The Association would not take an initiative and intervene into any state or local legislative matters unless requested by a member.

Three, material related to good safety records for the outdoor amusement facility industry would be developed to indicate the positive aspects of the industry.

Four, the IAAPA desires to cooperate to the fullest extent with the carnival and ride manufacturers segment of the industry on matters of mutual concern.

Five, it is a recommendation of the insurance and safety committee that each member find and retain his own qualified engineer, licensed within his state, to assist him in inspection and main-

tenance problems of his own establishment, and to be qualified to represent him before a legislative body if necessary. The IAAPA would prefer to pay any consultants hired by the combined segments of the total industry, which is the people represented here tonight, on a project by project basis rather than on a regular retainer.

Method: It is the considered judgment of the IAAPA that the first step in any safety or legislative development would be to have the local or effective people examine their own problems and decide whether or not they would prefer to handle it without outside assistance. The long-range permanent objectives of the IAAPA safety program are ride maintenance, employee and guest safety. If the Association is required to outline preferences for the desired type of legislation to be enacted, spokesmen will be suggested--spokesmen will suggest the enabling type of legislation.

With that objective in mind, I tried to rewrite the definitions, and I did that, and they are here. They have been distributed to the Board at our meeting in Kansas City. We asked for comments, and I got several very valuable ones, which I intend to incorporate, and some of them I've already completed. But in there, I found out one thing, and I'm concerned that we avoid making a draft so favorable to the amusement parks that we lose all credibility with our legislators. So with that in mind, I have written a forward to this enabling act, which says some things like a ride operator should be 18 years old, which has to be in California and doesn't have to be in Missouri, Kansas, Colorado and I think some other places. So I wrote a forward to that, which I read at the Board of Directors this morning. I haven't talked to the gentlemen on my right yet, but they will have copies of this, and I'd like to read it to you now. That's kind of where we stand on this thing.

This proposed legislation on carnival-amusement ride safety is the result of a critical review of both existing and proposed state legislation and a good deal of thought about the practical problems facing ride owners, operators and manufacturers. It is hoped that it will serve as a useful outline for the industry in states where the adoption or amendment of safety legislation is being considered.

The drafters of the proposed legislation recognize that any effort to compile a code of laws wholly acceptable in its entirety in every state is doomed to failure. That was neither the spirit nor the intent behind this proposal. That different conditions will require different approaches and solutions is obvious. What has been attempted is to provide, at a minimum, a checklist of what the drafters believe to be the issues to which any safety code must address itself and a guide, in the form of suggested provisions, as to how the drafters believe these issues can be addressed in such a way as to promote ride safety while simultaneously minimizing the overlay of needless and repetitive bureaucratic procedures.

This proposed legislation can provide the starting point for consideration of legislation in any state. There may be occasions in which only a few sections may be appropriate as, for instance, where consideration is being given to amending an existing statute. Likewise, there may be occasions when the proposal as a whole may be used, with or without modification, depending on the local conditions.

Each owner and manufacturer will have to decide for himself how and to what extent this proposed legislation might prove useful in his own state. This is not being imposed upon anyone. It has not even been adopted as the official proposal of IAAPA, for the very reason that no one statute is going to be appropriate for every state. It is the belief of the IAAPA, however, that this proposal can serve as a useful tool and resource to those of you presently concerned with safety legislation.

The Insurance and Safety Committee of IAAPA, whose chairman, Mr. Truman Woodworth, directed this work, will be happy to help individual members on any questions that they may have related to the proposed legislation and would like to be notified, and given copies, of any proposals of which the members become aware in various states. Correspondence on these matters should be directed to the Executive Secretary, Mr. Robert Blundred.

That's as far as I've gone with the code for the enabling act, except I have rewritten certain alternate paragraphs that might be more applicable in certain cases. Stan Nelson just gave me this today. This is the new code or law for Iowa. It tells you just exactly what to do. If you want to avoid some of these kinds of things, I think that this legislation will be helpful to you to minimize things like this, because they get you nailed to the wall when they get you like that.

Thank you very much.

CHMN. SPACKMAN: Woody is at the present time involved in building the Marriott's Great America Park at Santa Clara, California. He's taken a great deal of personal time to produce this work, and has spent many hours with our IAAPA attorneys in trying to reach the right answer here. I'm sure that it will be an invaluable piece for your use if these things come up in your state. There are still a number of states that do not have any legislation, and it is certainly advisable to keep a sharp eye on the legislature, because there are laws which they may grab out of the blue from some other state, which would not be very favorable. And so we suggest guidance by using what Woody has produced here.

I would like to introduce Mr. Bernard Thomas of the OABA. The OABA stands for Outdoor Amusement Business Association. These are the boys that have the big ride outfits that go to our state fairs. Some of them may have a hundred semis, a hundred rides or so on the road, and if you can imagine the problems they have with state rules and regulations, especially when you're jumping from one state, playing there for maybe two weeks, and then going to another state--they really have problems.

MR. BERNARD THOMAS: Thank you, Tom. I'd certainly like to add to that fact that you just mentioned that Truman did an outstanding job. I think it's an act that we can all work with, and we can work together and keep our ear to the ground. The problems do arise in the various states. It will help us both.

Ride safety has become more popular with carnivals in the past few years because of the high cost of insurance and intensified consumer protection by the government at all levels. Carnivals have always had a relatively good safety record, but jury awards have been extravagant, and a stock market recession, of course, has dried up insurance company reserves, causing our rates to as high as 12% of our gross proceeds, which is serious money,

and it's right off the top. Therefore, the OABA is taking remedial action. In addition to offering individual states this workable program of a ride safety statute, the OABA staff and safety representative works directly with individual legislators and their staffs. Beginning this year, OABA plans to have on retainer its own consultants on electricity, ride safety and inspections. We'll put our own safety show on the road. Over the past several years, the OABA has dealt with Michigan, Iowa, New Jersey, Arizona and several more. Our goal is to prevent legislation, because we feel that we're doing more without it. We don't really feel it's necessary to promulgate legislation, as Truman pointed out, but if we're going to do it, let's do it in a positive way to create safety within our own industry.

Preventive maintenance is literally a daily routine on every traveling carnival, and most of us own from a quarter of a million to a million dollars in rides and various equipment, and we just can't afford to jeopardize it. Last spring the OABA was successful in nominating Mr. P. E. Reithoffer to the United States Chamber of Commerce advisory group on product safety commission, which very closely examined even amusement rides. Pat will be our new president of the OABA and will be happy to convey your thoughts to that important body.

Each winter we promote rather substantial attendance at the AREA ride seminars. Also, OABA will sponsor a workshop in Florida this February during the Florida State Fair, and, of course, we have hundreds of our people participating in this convention and the Ride Workshop to be held shortly. Most carnival trained personnel while on location cooperate on various matters with the local inspectors.

Perhaps most important is the fact that we have worked harmoniously, with IAAPA and the AREA--and safety has to come first with both of us, or all of us, or the consequences will probably be the demise of all of our businesses. Let's not forget that as we work together. We want to thank you very much for being part of it. Certainly, we already know that Illinois has considered a ride safety bill that has been already introduced. No doubt there are other states looking toward regulation as well. Anyway, let's all work together and we'll try to keep the heat off. Thank you.

CHMN. SPACKMAN: Thank you, Mr. Thomas. Now it is my privilege to introduce Sam High from AREA.

MR. SAM HIGH III: Thank you, Tom. During the last year, AREA's involvement in the safety and inspection aspect of our industry has taken an entirely different approach than those of the IAAPA and OABA. For the last four years, AREA has worked with the industry in trying to influence favorable legislation. We had hired a safety consultant, and he went around to the different states and tried to influence legislation through a model enabling act that we had drawn up during those years. However, we have found that there were too many duplications of effort and conflicts of local interest. Too many people wanted one type of legislation versus the national AREA, which wanted another type of legislation. AREA therefore felt that the local operator and the local AREA with local people would be best equipped to handle this legislative problem. About five years ago, or probably about six now, work was started on a set of voluntary manufacturing standards, which have set forth minimum manufacturing standards for all

American ride builders. Work on the project was shelved when we became involved with the various legislative projects. But the CPSC, or the Consumer Product Safety Commission, and OSHA, or Occupational Safety and Health Administration, have looked at our industry. I have received phone calls throughout the last two years asking questions, and I have begged the question, so to speak, and not really replied with too much valuable information, just to wait and see what their reaction would be. The report that we do get now from the bureau in Washington is that we are on the bottom of their list. They are not looking at us, but let's face it. It just takes one senator's grandson or nephew or something like that on the national level, and the next thing you know, we have it upon us. The CPSC, we feel, is the only federal agency which could affect our industry with the most impact. We therefore have decided to be prepared, like yourselves, and go ahead and work on a set of standards which would provide for the highest quality of manufacturing. The federal agencies will in most cases accept voluntary standards through an accepted society if they are going to be adopted on a national level. AREA has decided to use ASTM, or the American Society for the Testing of Materials, located in Philadelphia, and we have already had several important meetings with them on the start-up of this work.

Now, let me say, as the work progresses, and the preliminary start-up meetings have been held, every aspect of the industry will be represented in adopting the standards. The project will be long and complicated, and will require at least three to four years before completion. When completed, the standards will be divided into many sections, such as the foundations, electrical operations, maintenance, inspections and so forth. These standards in many places will be nothing more than a compilation of existing standards such as the ASI welding standards, the standards for steel, the NEMA Standards for electrical. All these standards will be pulled out from existing standards and be written into the standard which we hope to develop. There will be a few additional standards written, which would be applicable only to our industry.

In closing, let me say that the manufacturing standards are voluntary and will not be mandatory until some federal agency adopts them, and then we can have assurance that we have at least had a major proportion of influence in writing the standards. We are well represented on the standards when they do become law, if in fact, they ever do become law. We are doing this to better promote the highest quality in the manufacture of our rides, which, in the long run, we feel, will lower our insurance and definitely will lower the insurance of the operators. Thank you.

CHMN, SPACKMAN: Thank you, Sam. And now it seems that Woody has dug something out of that big case of his, and he has something else to tell us.

MR. TRUMAN WOODWORTH: My good friend, Bernie, said something that we hadn't discussed and that I was promoting this legislation, and that's not so. I've been against it for 20 years, and I finally buckled under and got in it, and I can give you some reasons why. We're just trying to be prepared, because you're going to get it, and in California we already have a law. It comes under the Division of Industrial Safety, and they slipped it in. They do these things like overnight--you just find out you're going to get it, and you don't have any warning.

I want to tell you that you don't have to have this legislation. You may already have it, and it just takes some smart guy to figure it out. But in this Code, I read that you had to keep a log book and you had to keep records and so forth, and I got several letters back, and I said, you know, that we can't carry all that stuff around. That's what you can get into. You don't need the state legislature to get you into this. This can be from your own city, and I just wanted to point this out.

CHMN. SPACKMAN: I'd like to introduce Bob Ott to you. We're going to have a few minutes for some questions here, but you can also talk to these people at the end of this meeting. He'd like to tell you what goes on after this. Bob Ott.

MR. ROBERT OTT, JR.: At this point, I'd like to explain to you how the new concept of the ride safety workshop is laid out. We have four different stations tonight, and there will be 35 minute presentations at all four stations. You will be able to see three of the four presentations. In previous years, if you've been at this workshop, all the people were in one room at one time. You heard the topic one time, and like most workshops, you seemed to forget what the first person had to say. By setting up at four different stations, you may stay at that same station and listen to the presentation three times, or if someone is not with you, you can go out and find them from another workshop, bring them in the workshop you like to get more information. The first station will be "Why, What, Results of Non-destructive Testing." In other years we've heard about the theory of non-destructive testing. Tonight we hope to hear the practicality of it as far as how it was handled at the different operations.

The second station is "Ride Electrical Installations," the third station is "Dark Ride Maintenance, Power Conversion Techniques.", the fourth station is "How to Set up a Ride Lubrication Schedule." There's a lot of material here to cover in a matter of two hours. Once again, it will be 35 minutes at each station, roughly a five minute question and answer period at the end of each, and you will then have a five minute period to move from one station to the next. We must ask your cooperation in this so we can stay on our time schedule.

CHMN. SPACKMAN; Thank you, Bob. Now, we'll take a break here of a minute or two for questions.

MR. ANDERSON: Woody, I'm Andy Anderson, Knott's Berry Farm. I had your fire marshall; I had your chief of police; I had all your people from Santa Clara last Friday a week ago. They looked over our park for security, for safety, for one thing and another. They seemed very pleased with what you're doing up there. I mean, I think you've done a hell of a job up there, and I know I was up there with you four months ago when we could only drive through there, where you could only show me what you were doing. I think in the industry you're doing a super job. I just don't feel that the grind that you're getting from the fire department, the health department--they seemed really enthused when they were down to my place, and we showed them a nice time, and I took them upside down a couple of times, too.

MR. TRUMAN WOODWORTH: Andy, I want to thank you for your hospitality and I want to tell you that that was our new fire chief and our new police chief, and neither one of them had ever been in an amusement park, so that was one of the reasons for the visits.

And we were trying to educate them a little bit to some of the things that might be coming up. I just hope that they don't get into everything that we do, especially if they get into the corkscrew and some of the other things. And the reason that they don't get into those is that they don't know--they happen to know about aerial tramways. We've got skiing all over California, so we've got tramways, so they know about those. Thanks for your hospitality, Andy.

MR. ANDERSON: Okay. I can tell you my corkscrew has screwed me up a little bit, keeping it running. And you know, people don't even ride it. They like to watch it. You're having a better one than we are.

CHMN. SPACKMAN: Do we have any more questions?

A VOICE: About four years ago I appeared before a legislative committee in Columbus, Ohio regarding safety. At that time, Truman, I sent you a copy of that, which was ridiculous and complicated. It was turned over to a subcommittee, and the subcommittee did not come up with any results. And two weeks ago, I contacted the agricultural commissioner, who had charge of all the rides of all the county fairs in the State of Michigan. I wish you would read that, please. Do you have a copy of it there?

MR. TRUMAN WOODWORTH: Yes. I'll read what you have here, but it doesn't tell the whole story. I happen to be familiar with the Ohio code, but I will read the letter at your request. This is to Dr. Firestone. "Director John N. Stackhouse has asked that I forward information on our inspection activities as they relate to portable amusement rides. The frequency of inspection varies a goodly amount. In general, we inspect the rides at county and independent agricultural fairs at least once during each fair. Due to the limited personnel, we are not able to inspect the rides at every site. However, we make every effort to inspect the ride companies we are most concerned about on a rather frequent basis. Several local agencies often look at portable rides. For example, the City of Cleveland inspects amusement rides, I understand, on a routine basis. Fixed base amusement rides in Ohio are subject to governmental inspection on a very limited basis. The Ohio Department of Industrial Relations and some of its offices inspect rides during construction if a building structure is part of the ride. They consult with park officials concerning amusement rides upon request. As I understand, the insurance companies who underwrite such facilities have their own inspectors, plus the parks have a safety program of their own. If I can be of further assistance, please do not hesitate to call."

Now, I want to tell you, there is almost two inches of laws on amusement rides in Ohio. Ohio now has one of the strictest laws in the United States.

A VOICE: But I understand each city has its own right, as far as stationary rides are concerned, to inspect. The State does not come into it.

MR. TRUMAN WOODWORTH: Well, I put the thinking in the law myself that said if it had a permanent foundation it doesn't apply. But since that time, there's been some other people into the thing, and it has, again, one of the strictest ride inspection and maintenance laws of any state.

CHMN. SPACKMAN: Thank you Woody.

... The workshop adjourned at 8:15 p.m. ...

RIDE WORKSHOP

THURSDAY, NOVEMBER 20, 1975

SOUTH BALLROOM - STATION I

The Ride Workshop convened at 8:30 p.m., Robert Ott, Jr., Dorney Park, Allentown, PA, presiding.

CHAIRMAN ROBERT OTT, JR.: Good evening, ladies and gentlemen. There will be four workshops running at the same time with a 35 minute time period. And in the two hour time period, you will be able to attend three of the four, so you have to pick out which ones you feel are the three that you would like to listen to. If you prefer to stay and listen to the same presentation twice, feel free to do so. In this workshop, we are going to be talking about the what and why of non-destructive testing. I've attended several of these ride workshops in the past years and in the last four or five years we have talked more about this non-destructive testing. One thing that sort of struck home to me was it was always the technicians talking about non-destructive testing and not too much about the fellows that had it done at their park.

We felt it good to hear the other side of the table, not the technician stories but those that have work done at their ride or carnival. So, tonight, we had four speakers that were going to discuss this topic. Two had to cancel out, so we are down to two, including myself. We have done work also at our park. First of all, I would like to introduce the two speakers that we do have tonight, Mr. Pat Reithoffer, Jr. and the other gentleman is Dana Morgan from Santa Cruz Seaside Company, Santa Cruz, California. At this point, Pat, would you like to give your presentation upon non-destructive testing? Do you want Morgan to go first?

MR. DANA MORGAN: When I accepted the job of speaking here, I thought there would be no big deal. You just make a little speech about what sort of program we had at Santa Cruz for non-destructive testing. When I sat down to write, I realized that although we did non-destructive testing, we really had no program as such. So what I ended up doing was setting up a comprehensive program for our parks. As a result, I have changed the topic of my particular discussion to how we established a non-destructive testing program. The first thing that we set out to do was to define the types of non-destructive testing that we might use. The first type is visual. That may seem sort of funny because we think of more exotic types. But in my opinion visual inspection is probably the most effective form of non-destructive testing, in our park, we feel the most important. The second type is magna-flux. We have a small magna-flux unit of our own that we use, and then we have some magna-flux done by some outside labs. The third is dye-penetrant, which we use sometimes on non-magnetic. The fourth classification I've used, I've called exotic: radiograph, ultrasonic, all the types that are not within the grasp of parks, road shows, to do themselves, but rather would be done by an outside testing lab. It's my opinion that if you have work like that done, that you should allow the testing lab that you use to make the decisions

as to what type is appropriate for the particular part that you are looking at.

The next thing that we felt we needed to do was to classify the components of the various rides. We came up with three basic classifications. Class one is a part where failure of the component could cause a serious injury or fatality. Obviously the class one parts are the ones that we have the greatest concern about. A typical example of this would be a spindle on a roller coaster.

Class two part is a part where failure of the component could cause substantial down time but would not cause an accident. These types of parts, although not nearly as critical, can be certainly of concern to us. An example there might be the main driveshaft on a roller coaster, where we would have a failure of some type, we would be out of business for a while on the coaster.

The third classification is one where the failure of the component would not cause substantial down time or injury. That classification of component would obviously not be a candidate for any type of non-destructive testing, at least in our operation.

The next thing that we figure you have to take into account when you are considering non-destructive testing is the history of the component that you are looking at. Some components, you know, you've had previous failures in your own operation. That coupled with a class one rating would be a component that obviously you would want to keep an extremely close eye on. The second would be a component where you had recieved a warning from the manufacturer that there might be a problem with that component. This certainly is not to be taken lightly because if a manufacturer goes out on a limb far enough to admit that he may have made something that is not totally correct or there might be a problem with, you certainly should take heed to that, we feel.

The third type of history would be one where you've had knowledge of failure in another park. I think a word of warning is in order here. You should get all the information because we all hear stories about such and such happened. I think it is appropriate to contact both the park and the manufacturer if you feel that there has been a problem on a similar ride somewhere, find out what happened from the park people and also get the manufacturer's side, find out if your ride is really the same that had the problem and what the manufacturer feels would be appropriate.

Another thing that would be of concern is the component of a new and untested ride. A good example of this would be a new coaster like the corkscrew coaster, where the components would be class one because it would be the first season with the ride. You would want to keep an extra sharp eye on those pieces.

The fifth category, I have called "gut reaction." That's sort of an odd term, maybe; but I think you've all experienced the thing where a new shiny ride comes in and the maintenance man comes in and looks at a part and says, "That will never work." Well, that shouldn't be ignored. A lot of times those guys have looked at a lot of rides and seen a lot of failures over the years. I think when you or one of your people sees a component that they are suspicious of, that's also a good component to keep an eye on.

The next thing we felt you needed, a plan for implementing

the program once you establish those criteria. So the first thing to do is to classify critical components. That, we are finding in the early work that we are doing, to be a fairly tedious process. However, the total list of class one components is not that great. The next thing to do is to establish testing schedules that will be based on the classification and the history that we have just discussed. And the final thing would be to obtain any equipment that you felt was required yourself, which in our case we had the equipment we felt we were going to need. And we have already established a good rapport with the original testing lab. I would feel, if anyone was operating rides and did not have a testing lab that they were used to working with, it would be good to develop that relationship. I think most everybody has a lab. That is all I have for right now.

CHMN. OTT: Thank you, Dana. Once we have gone through the speakers up here, we will have an open discussion to ask questions. Next, I have Mr. Reithoffer and his presentation.

MR. PAT REITHOFFER: My presentation will take a little different slant. All I can tell you is my own experiences with non-destructive forms of testing, and they all fall into basically the same classes the gentleman before me has just given you, visual, magna-fluxing, dye-penetrant, X-ray and ultrasonic. Now, some of the states which we move our carnival into, insisted on some form of non-destructive testing, I'm going to take North Carolina as a prime example. They have insisted that all paratrooper rides and all round up rides, the main shaft be tested in one form or another and be certified that it was tested. So as we moved into North Carolina, we had a problem. We didn't even know where to get the kind of testing we wanted. Now, I'm familiar with magna-fluxing, where you completely dismantle the rides, get down into the main shaft after removing the bearings, wash it clean, and then they are ready to come in and magna-flux it. The cost involved here is quite high. The loss of the ride, the time down and then the labor for doing it. And then also, you must have the ability and technology to totally dismantle a ride of this kind. So magna-fluxing, we felt we could do, if we had to. We were familiar with it and had been using it for years.

But we were hoping for an easier way. My son contacted the Pittsburgh Testing Laboratory. I'm not making a pitch for them. Everybody does this. And they came in, and the man looked the situation over, and he suggested ultrasonic. He said that he felt that he could attach this machine to the round up ride and let us know within an hour or so whether the shaft had any cracks, possible cracks or anything else in it that would hinder it. So naturally, we told him to go ahead on that. Although this particular form of testing initially is not the cheapest, it costs a little bit more than, say, magna-fluxing, the total labor involved in it that you save, this and that, it looked like the best way for us to go. Now, ultrasonic testing, if I may assume you knew about as much about it as I did when I first looked into it, and that was nothing, is actually the use of very high frequency sound waves. It's something like sonar that you've seen on the TV on the late show with the submarines. What they do is send sound waves, say through an axle. And when it reaches the end of the axle on the far side, it, in turn, bounces back. Now, if it has reached no obstruction, shall we say, such as a crack, or a flaw, it will come back with a complete reading. This is all done on a scope that they have.

Now, if it does encounter anything, it will read--by moving

their scope, they can find how far up the shaft the obstruction is. If it's a crack they can tell you exactly how deep it is, how long it is, how wide it is and what it is, which, to me, was very remarkable. So we had the round up testing, got absolutely nothing on it. Then they came in and tested our paratrooper at another location. And I'll tell you what he told us. In fact, I'll read it right from the report, which bothered me. "There is a slight indication received 20 inches above the base." Well, that to the state man meant about as much as it did to me. I thought I was closing the ride down, that I had a crack. He went over this ride four or five times and found out that this slight indication could have been anything. When they installed the bearing, if they used a hammer, they could have made a little bump on the shaft, and this could have been showing up. He assured the state man and myself that it was absolutely harmless, didn't mean a thing. If it had been anything else, we would have had to probably dismantle the ride and use a visual inspection of just where and why without it. But the State of North Carolina accepted his judgment on this thing, so it worked out very well for us.

Now, to give you a little bit more about this ultrasonic thing, any laboratory that is qualified to use it, it's available. They must use a special procedure. And this is the information that I got from Pittsburg Testing Laboratories on the last week or so. It must be a nationally accredited laboratory, and they must have adequate insurance. And these are the prime qualifications that you get, no matter who does the job for you or how you are going to do the job.

Now, this ultrasonic or sound testing actually consists of a cathode-ray tube and a visual scanner, scanner oriented, as you say. And this, in turn, has a transducer attached to it, which in turn, is fastened on the end of the shaft by the use of glycerine. That's the information he gave me. When he got all done, I said, "That's fine. I'm going to break it down so I can understand it, maybe a few other people can." So he brings this little machine on out, he fastens it on, and he will tell you whether it is good, bad or indifferent. I think, in our instance and many instances of other parks, it's going to be the cheapest way to go. I don't say it's the best. I don't know that much about it. But it certainly saves a total dismantling of any ride. And I also understand that Maryland is going to this type of testing for all rides next year and that North Carolina might even go farther beyond the two rides that I have named. They might insist that any ride that is suspended from a single shaft must in turn be inspected at least once a year. Now, we have never done a lot of this type of testing. We are being forced into it, and so, consequently we are having to go along with it. That's about all I can tell you about it at the present time. I thank you.

CHMN. OTT: Thank you, Pat. What I would like to do is explain to you what we have set up at our park, which is Dorney Park in Allentown, Pennsylvania. Of course, I'm sure everyone set up their own program their own special way. And all programs, I'm sure, are easily changed and should be changed if there is a better method. Previous to last year, what we used to do is only magna-flux those rides which had flyers--for example, Chance would send out a flyer saying test a certain area due to failure at other parks or carnivals. We had these rides checked immediately. And then once again, as I mentioned at the beginning of this workshop tonight, between going to Safety Seminar and the Ride Maintenance Seminars, we thought, well, let's get into this a little further. What we have

established in our park now is a three year program. And we, right now, are in the second year of this program. We sat down, we listed all the major rides that we feel had major stress points and decided that we would break them up into three groups. A third of these rides being done last year as the first year, another third done this year and the last third will be done next year. And then the fourth year we start back on the first group. So hopefully our rides that had the major stress points on them will have been magna-fluxed in every three years.

What we did also in this idea is not really being sure, for example, like the paratrooper, when definitely should you change the main bearing, etc., or any other major overhaul, whether it be major painting or whatever, we also scheduled that to be done at the same time because if you have had magna-fluxing done, you know, getting down to the bare metal, different spots, if you do a good job on magna-fluxing, when you finish the ride, it looks like it's on a zebra with spots all over it. So, therefore, since we had those marks, secondly, we could tear the ride down and inspect everything as far as bearings, etc., replace those that are needed, send the motors out to be overhauled, a complete overhaul on the rides. So this saved us some money, such as tearing down--as Pat had mentioned, we try to combine the whole thing all in one program. The other thing, also, is by chance this summer we had a ride magna-fluxed and next summer we had a flyer coming out from some ride manufacturer saying this point should be rechecked, we would also have that checked, whether it be immediately if it is necessary, or at the end of the season. That's how we have set up our program. We, ourselves, did not do magna-fluxing. We did not get involved with equipment. We got an outside company, a company from Philadelphia, to come up. That's what we have done in our park. As far as the area, is to check--I have sent letters to different ride manufacturers, other rides that we have had in our park, they have sent back to us all the major areas their engineers felt should be checked. Along with that they sent us some photographs or carbon copies or whatever. I then could turn these over to the gentleman who would come to our park, and the company would send the same man every year. So this is now the second year that he has been there, and he's going to come back again next year. It makes it better I'm sure. You, yourself, when you work with someone and get to know them on a person to person basis, he will do a little bit better job for you hopefully, and also he can tell you some of the things that he might have seen.

We keep all the records on file as well as the date and also the cost. Three years from now, it's going to be interesting to see how much it costs versus what it costs this year. If we would bring out a new ride, for example, for next year, that would then be put on the list for the following year. Not saying a new ride is going to be a weak ride, but once again, I want to make sure it's going to be a safe ride. That's the way we have it set up at our park.

At this point, are there any questions from the floor?

A VOICE: I'd just like to make one comment. My name is Rolly Larsen, I work for the Outdoor Amusement Business. One of our speakers, his name is Red Wood; he wasn't able to be with us tonight. But he called me two nights ago about some of the points he felt were important, and I neglected to mention this to Mr. Reithoffer. The point you just made, he found that magna-fluxing

was very important to him and his rides at the W. G. Wade Shows, where they had foreign origin. He said the American manufacturers sent out bulletins so often, you know, that are very helpful. But they don't get it from the foreign rides. In two cases that he mentioned, the sweeps have had many cracks and they have required use of magna-fluxing. He felt that on these foreign rides was one target area that has paid off for them.

MR. TED MILLER: I'm Ted Miller. I've been concerned with the possible danger that might lie in the fatiguing in the sweeps or the arms on a Chance helicopter. And I was just wondering how they go about magna-fluxing something of that sort. What is the procedure in magna-fluxing? Do they have to take off all the paint? We use visual inspection, and I have detected nothing at this point. But I can see that after a period of time, they might develop fatigue and it could be a serious accident.

CHMN. OTT: I think maybe I can give you an answer on this one. What I've seen done in our park in magna-fluxing--first of all, we also try and use the visual idea. I thought originally we would have to take all the paint off. I could visualize we would have to repaint the ride, etc. Also, the gentleman usually comes in, at least in our park, being certified, he knows also the stress points. What they will look for is the major weld points in a sweep. Or they will work down that sweep. If there are no major weld points, he will work down our sweep. In order to save our park money, instead of having to come up with two fellows, I give one of my maintenance men. He will go along the sweep, just to take the paint off, so he can have a point where he can put the tip of his electrode right down to the bare metal. It does not mean you have to take all the paint off. The only problem, as you know, with magna-fluxing, you put some of these rides together; sometimes there might be a pin inserted inside a hole, inside a socket, etc. That is very difficult to detect by magna-fluxing. You may want to take that arm apart or you can go another way with the ultrasonic. Magna-fluxing does not make a big mess. Does that answer your question?

MR. TED MILLER: Yes, sir. Thank you very much.

A VOICE: The reason we got into magna-fluxing was that originally we did have an accident with a helicopter, and this is what started us on our magna-fluxing program about four years ago. We did use a sweep. Fortunately, no one was seriously hurt, but this made us aware of the seriousness of fatigue in older rides. One of the suggestions I may make, one criticism of the magna-fluxing program, which is made by an insurance company, is that when you have an outside, independent testing laboratory come in, be sure that in your report that you specifically mention the part or the component that they have tested in that particular ride. Too often the reports are too generalized, and I think this is a valid criticism. Try to pin them down to the exact part, the description; if it has a number, describe that in the report so that you are covered. This is one of the criticisms of the magna-fluxing program. Thank you.

CHMN. OTT: Once, again, I just visualize in my mind the reports I get from them. They say, "Test such and such a ride, particles use." But they don't actually get down to specifics. I think that's a very good comment.

A VOICE: I have a couple of questions about this ultrasonic test-

ing. First, can we get some kind of an idea of how much it does cost, say for a Paratrooper or Round Up; and secondly, have we got any feedback from the ride manufacturer. What do they think about this type of testing and do they do it in factories and so forth?

MR. PAT REITHOFFER: It cost me \$80 for them to come out and test my aratrooper, and I think it cost me \$110 for them to do my Round Up. And this, they came from Greensboro, North Carolina to Lenoir, North Carolina, and the other from Wilkesboro. And the difference in the cost, as far as I can make it out, was mileage. The only thing I could see. It looked like it was the same test. So you can figure in round figures, if they are coming out to do a ride, one ride, \$100. And if they go beyond that, I think you would have to make your own deal.

MR. JIM PALMER: My name is Jim Palmer from Arrow Development. Speaking from the manufacturer's point of view, we do not use ultrasonic for testing any of our equipment. We use a combination of visual, dye check and magna-flux. And we also have outside testing laboratories inspect components that we consider critical on our rides.

CHMN. OTT: Any reason why you don't use ultrasonic?

MR. JIM PALMER: I don't know really. We just haven't found, felt that there was a need for that because we inspect the components before assembly. The ultrasonic would be good, as pointed out, for a complete ride so you don't have to disassemble the whole thing. Also the ride hasn't been run in most cases. When we do inspect rides that we've run or test things, we usually take them completely apart for inspections.

MR. WAYNE THOMPSON: Wayne Thompson from Drytona. I admire your program. I'm saying it's probably more ambitious than most parks have at this time. I guess my question is, if it were tested in court is three years good enough? Is four years fair? Does anybody have a time frame where you might put this thing into?

MR. ELMES: Our insurance company recommends to us that it be done on a yearly basis.

CHMN. OTT: Yearly basis. I can see the insurance way, you know. They're trying to save their own neck also. But then, be realistic. If you have 20 rides or stress rides, you won't have them checked every year. Once again, it's a lot of money spent. The reason I picked three years, once again, not to do it all in one year, I didn't want to stretch it out any further because we felt the money was well spent. It's almost like one of those intangible things. You hopefully will never find any cracks--money well spent. But if you do spend the money and find a crack, once again, you feel just as well.

A VOICE: Last spring the company repaired all the Spider arms, and when the truck arrived at our place, they had your arms from the Dorney Park Spider on the truck, pastel colored. I happened to have number 2 Spider, 6 arm variety. I wonder whether anybody knows when the Eyerly Company went through all this and redone these arms, if they did any ultrasonic testing on them or if they did any magna-fluxing. Were you aware of anything upon the return of those arms?

MR. PAT REITHOFFER: I just happened to be talking to Jack Eyerly

before I came in here in the lobby. All he mentioned to me was that they do magna-fluxing. And I brought up the same question. I said, "How effective?" My own impression of all this testing is that you can have an accident ten seconds later. He said it's very true they magna-fluxed a few parts for a ride that he's in two law suits about in April and in May. Both of these rides had a structural failure. So I do know he does magna-fluxing. Once again, this testing is an if and a what in my mind. I lifted a few things to guide ourselves by and one of them is, what is the normal life of the ride? Who can answer these questions? When should testing occur? How often should it occur? The normal procedure that we are following is we will do our testing when we think it is necessary. In other words, I think that all parks and all carnivals are going to have to use their own judgment, and this is going to have to be at least policed from within. We have to avoid panic legislation that was like that passed in North Carolina. And I think this is what this is. There was an accident out on a Round Up, so now all Round Ups are no good. This could spread to every state. The testing that we would have to do could become astronomical. I feel in my own heart, what good is it after you finish with it? And when I reach the North Carolina meeting, I intend to challenge the safety inspectors up there with this same thing. Can they guarantee me after I do this job that it will last one year and will they put it in writing?

A VOICE: One other question. It was mentioned before about certain rides and stress points and such. It might be something to be brought up with the AREA people, the manufacturers. If they would suggest to us what components to test--undoubtedly we are aware of the axles and the spindles and the supporting structures. Each ride has its own characteristics so it might be something that the AREA people could suggest to us what pieces to test and how often to test them.

CHMN. OTT: To answer part of your question there, I wrote a letter two summers ago, to different ride manufacturers. I won't mention the ones that didn't answer. But I was sorely disappointed in some manufacturers that I'm sure quite a few of us buy rides from. So I just asked them the same thing, "What are the major stress points, what should be tested annually?" He said there were quite a few. "What could go two or three years?" Some of them gave me great detail. Others just said about nothing. So once again, you still have to rely upon the good old thing. Since we are in business, we are the jack of all trades. Try to use our own best discretion to pick out these points. In closing, something came to mind. Any of us who were at that maintenance seminar in Wichita last February, one of the presentations was a gentleman talking about bolt analysis, stress points, etc. And on there he had shown the difference between imported bolts, strength wise versus American made. There is a great difference. I'm not trying to shoot down the foreign people, but maybe, if you do have some imported ride, you have it checked shortly thereafter, when they are in your park, to test them out, because sometimes a grade of metal can come in this country which is not as strong as you wish it would be, maybe bolts, etc. And in closing, if you do not have a magna-flux program, I ask you to try and set one up. It's going to cost a little money, but the safety of operating to us is very important. I thank you for being with us this evening.

CENTER BALLROOM - STATION II

MR. KEN MCKINNEY: Good evening, ladies and gentlemen, I'm Ken

McKinney. I would like to welcome you to the Ride Electrical Installation Workshop. It's my pleasure to introduce Mr. James Parrish, Parrish-Johnson Electrical Company, Danville, VA.

MR. JAMES H. PARRISH: Thank you, Mr. McKinney. Ladies and gentlemen, it came to me some time back that most of the speakers or a lot of the speakers that they had had at these things got up, told how much they know. The only thing I'm going to tell you I know is the fact that I did travel with carnivals for a couple of years, and what we have come up with, we think is a good thing for the carnival industry. We're not here to sell at this particular meeting. But, since it was something that would be of interest to you people, we were asked to bring it down, because it's something new. And, the only way we could come up with this was to travel with show people and find out their needs.

What the people are looking for in the various states that you go into with your carnivals and rides or when you book into a permanent park is the electrical. The federal government is getting stronger and stronger against the methods that have been used in the past. All they're after is to go by the national electric code. It isn't a complicated thing to go by the code book; and what we have here on either side of the platform is not a complicated affair. What we're going to show you later on over on this side is something that I think all of you need to know. You have heard about it all your life. You've heard about it all during your show business career; and you ought to know what it is and have a better understanding. So, my son will show you that next.

We only have a few minutes, and he'll take over when I get through. Then, we'll have a question and answer period.

They want us to touch on the code a little bit, what might be of interest. Now, we have had dealings with state inspectors in quite a few states. And, we have seen what they're after. And we know they're after the code; and we can look at something and tell whether it's up to code or not, based on our past experience and the nature of our work and what they're looking for. I know you fellows are interested in what they're looking for. It's such as cables strewed all over the place, joints that are just taped. They're looking for connectors. You want to make your lines longer. They want to do away with ragged electrical cables and cords. They want breakers properly fixed with breakers or fuses. I can't recommend one without recommending the other. They want the places in the generator wagon or your distribution centers in your buildings clean. They don't want anything in there on the floor or anything piled up that's not allied to the switches, the controls or transformers. They want everything locked up. They want qualified people working on it. And, you fellows know what I mean by qualified people. They want qualified electricians.

This is a simple way of doing electrical work, more simple than what you're doing today: and it costs less money, less time to operate, less time to put it up and take it down, if that's the case with fellows that move them week to week. That's what they are looking for. They want you to go by code. And, if you go into this thing by code, you will not have any trouble with inspectors.

Some places you are going, some states are now requiring five days to a week's notice as to when you are coming into their state or an area so they can see just what you have, whether they will

let you show or not. That's posing a problem to you, and we know it.

Some of these things are unfair. But, I think if you're up to code, I don't think it should stop you or make you come down for five days to check your electrical equipment and ride equipment for safety.

As I say, all they're looking for is to build it up to code, do away with the ragged haphazard way of doing it.

There are some pictures up here that you can see what's been done to help. Then, there are some up here the old way with the little red boxes with the bus bars with the holes in them and the popsicle sticks or candy sticks. Those are the things that will be out now. If you're still using them, nobody may have bothered you this summer; but you don't know when it's coming. You might as well prepare the best way you can.

I'm doing this in an advisory capacity. I'm trying to pass this to you because I've been in a lot of states where we've run into the various inspectors. And, the OSHA regulations, what they have coming in on you. Citing you for that and fining you at that particular point or closing you down. We have places that have been closed. We have places that opened up by getting an extension of time and being able to get back into business. Such as the generators and the way you parallel them and switches and breakers, your cables; everything's got to be sized to the breaker. The wire has to be sized to the breaker that you're using. And, that isn't anything but the national electrical code. You can do it on a gradual basis to show that you are really making an effort. And, by showing that you are making an effort, I think it would be a big help to you. And, those who have not made any effort to upgrade their equipment at all are the ones that when they have been notified, when they have been advised and shown, are the people that they will get on to the worst.

I'm going to say something on the dark rides. The conversion of the dark ride--a lot of them have used dark rides for 125 volts on their tracks. And, of course, the maximum you could use on it is 24 volts. And, it can be easily done by using the same motors, the same tracks, by using an isolated transformer to come in with and then put 24 volts on your tracks and then go from your track into your car back into another transformer that steps the voltage from 24 up to 120 or 220 which pulls the dark ride car. It's a simple procedure.

That about takes care of my time. Eddie or I will be glad to answer any question that we possibly can. And he has some things here of interest that no doubt all of you have heard about. This is for the man that does the electrical work and some of you fellows who have some experience.

MR. KEN MCKINNEY: Thank you, Mr. Parrish. Our next speaker will be Edwin Parrish. He'll tell you a little bit more about this.

MR. EDWIN PARRISH: To give us a basis for discussion, I would like to review with you some electrical connections and various ways to arrive at different voltages that you use. Within this we'll discuss how grounding figures into different systems.

Of course, with the mobile show you receive your power from

generators and the amusement parks from transformers connected to an outside source. Basically, the two are the same, but with a few differences worth noting.

We'll start with a single phase, 120, 240 volt, 60 cycle, 3 wire type. The internal wiring of the generator or transformer would look very similar to this drawing right here.

In the next drawing--this would be one of the hot leads on one end of this winding. On the other end would be another hot lead or loaded line. In the very center of this winding is where the neutral wire is tapped off. Between the two outside wires, if you read with a meter, you would get 240 volts. Between either outside wire and the center wire, you would get 120 volts. Of course, the green ground wire would be attached to the metal frame of that; that would go down to a ground rod into the earth.

Color coding, this neutral wire should always be white. This ground wire should always be green. With a transformer the neutral and the ground are always connected for safety reasons. Lightning or fault current were to develop, it would run back to this point and into the earth. With a generator only, sometimes it is connected. I'll explain this in the next connection.

The next system to illustrate is the 3 phase, 240 volts, 60 cycle, four wire system. On this drawing, this is called a Y connection or a star connection. The three outside points are where your hot lines or your load lines come off of this transformer. Naturally, these wires would go to your fuses.

At the very center of this winding, the transformer or generator, is where they take the neutral off. They use this type of connection so they could better load the system down. Of course, the green ground again would be attached to the metal frame and down into the earth with a ground rod. Between any of these outside points you would read 240 volts. And, between the center of this winding and any outside point you would get 120 volts, approximately.

In color coding on this system, any of the outside wires could be any color with the exception of white, natural gray or green. Here, again, with the transformer the neutral is always grounded. It is grounded at the point where it comes into your system through the transformer and then again where it enters your main system, your main fuse box.

This would illustrate that some. Once again the neutral would be in the center of this transformer which is hung on a pole right here. This is also run over to the main box coming into your system. At both points a ground rod is run into the ground. And, the neutral is attached to that. But, then when it gets to your system, you would run the neutral and the ground rod separately all through your system.

With a generator sometimes it's undesirable to ground the neutral. For example, in damp areas a grounded neutral would increase the problem of electrolysis or corrosion. In some cases where measures are taken an ungrounded neutral may be used; but this really depends on local codes.

Where it is desirable or required to ground the neutral in a generator system do it at the generator and only that place. This

does not mean not to drive more than one ground rod. It only means not to connect the neutral and the ground, or at least do it in just one place.

When running two generators or more in parallel or synchronization and you had a main box, or this could be your ride box or other boxes, and if you grounded each neutral including in the generator and the main box, this would produce circulating current and they could continually go round and round in here through the box. It would do no useful work, and it would take away from the power of your system.

Of course, the correct way would be to connect all of your neutrals and ground it at just one generator. This one would be running to the ground. Of course, you would want to ground the metal frames of your generator wagons and the metal frames of your boxes and then run a ground to all your other installations.

Another system worth noting is the 3 phase delta system. It is quite often used by power companies; and it looks like this. This system is a 3 phase system. This can also be used with a neutral to obtain 120 volts. This system has what some people call a high leg on it. That's why it has to be watched very carefully. On this one, three corners of this would be your hot lines and they would run naturally to your fuses. Since this type of connection doesn't have a center point of all windings, they have to go to one side; and they will go half way between there. So, between this neutral and the outside corner would 120 volts. It also would apply to this corner. But, if you came from this corner all the way around to here, it would be approximately 190 volts. And that would clearly burn up anything on 120 volt system.

On color coding this system it would be exactly the same as the other systems. Using your neutral with white, your ground with green; but use this high leg which is over here, color that orange; and be sure in your fuse box to put it in between the other two lines which in these would be number 1, 2 and 3.

I think by these drawings that it might also give you a little idea of the importance of balancing the loads equally between the phases. If you load up any one or two lines without sharing the load, this will cause overheating of the lines, which could result in loss of power, damage to equipment or damage to your wiring.

On a ride or concession it is best to split up the motor loads and the lighting loads so that you can balance the system. I know that this is not always done and many times results in one fuse being blown and therefore causing 3 phase motors to single phase, which means that when one fuse blows, the motor will strain to keep on running on the other two fuses and eventually will overheat and burn up, causing loss of your motor, loss of power and most important loss of time. Forced circuit breakers would help, so if one line blows, all three would shut off.

I'd like to touch a little on ground fault interrupters that you've been hearing so much about lately. While fuses and circuit breakers in your entrance panels protect your wiring from overloads, a ground fault interrupter protects you from dangerous electrical shock if you come into contact with a hot line and provide a path to ground through any part of your body. This potentially deadly contact could occur either through equipment malfunction or accidental contact with a live line.

How does it work? It continuously monitors the current in the two conductors of the circuit, the hot line and the neutral. The two currents should always be equal. If the ground fault interrupter senses a difference of five milliamps, it assumes that the difference means that the current is leaking to ground and automatically trips the circuit. Power is interrupted within one-fortieth of a second or less. This is fast enough to prevent injury to anyone in normal health.

The average effect of current on a person is as follows: 5 to 15 milliamps would cause local muscle contractions and prevent the victim from freeing himself from the wire. Thirty to 200 milliamps causes difficult breathing, unconsciousness and the heart to weaken. Over 200 milliamps, the victim suffers severe burns; and his heart may stop, resulting in death. That's pretty bad, considering it only takes 200 milliamps to light a 25 watt bulb.

It is no doubt the ground fault interrupter is a good safety device. A strong grounding system will also give you protection. Since ground fault interrupters are so very sensitive, they will trip to the point of being a nuisance. For this reason I hope they are never required as a permanent installation to your system.

At this time ground fault circuit protection applies only to certain residential circuits and construction sites. Then, it only applies to 120 volts, single phase, 15 and 20 amp receptacle outlets on a voluntary basis only. A good place to use ground fault devices would be in your shops or anywhere men use electrical hand tools or appliances.

MR. KEN MCKINNEY: Thank you. Are there any questions?

MR. NICK SANTA MARIA: My name is Nick Santa Maria. In regard to two-way volts, the electrician asked me if it's all right to run a 220 motor on 208? It's not a generator; it's a transformer for continuous running time.

MR. JAMES PARRISH: 208 voltage was primarily brought into being in a big way for shopping centers for lighting circuits and so forth. The type of connection Eddie just spoke about over here does not permit 120 volts or 220 or 230 or 240. I mean it permits 220, but it doesn't permit the voltages. Now, you could take a 208 motor that's wound for 208 and you could put it on a 208 circuit, if it's a one horsepower, you'll only get less than one horsepower and then eventually will burn up in most cases. And, if it's on a compressor like the water games or some other things that have that much of a load to start, well, then it probably will just burn up on you on the first go-round.

But, there are motors out today that are marked 208, 220, 230, 240; and it's very misleading, because no manufacturer can make a motor like that unless he comes out from the windings of these motors at different locations. It would be a special wound motor. He would have to put different voltages in on them. You can get the various voltage of these windings. It would be special equipment and very costly. I would not recommend it. Eventually, it would burn out, because it's wound for 208; and you're putting 220 on it. Is that what you're talking about?

MR. NICK SANTA MARIA: 208 will burn out 220 single phase?

MR. JAMES PARRISH: That's right, either three phase or single phase. You can run it for a while, and you might have good results from it. But, as a rule, if it was made for that, then you would have to apply the proper voltage.

MR. NICK SANTA MARIA: Well, there's nothing I can do about that.

MR. JAMES PARRISH: Well, you could get a transformer that would take it and bring it to what you want it to, yes.

MR. NICK SANTA MARIA: I see. I would have to get a different type of transformer.

MR. JAMES PARRISH: You would have to get a transformer to use the same motor. Or, if the motor burns out, have it wound for 208. You can have a motor wound to any voltage you want to, if you take it to a place designed to do that. You can take a 220 volt motor and wind it to 208. A little transformer like that is not expensive. If you have any difficulty, let me know; I'll show you where you can write and get them.

A VOICE: I'd like to know your opinion on add-a-phase. We're in a situation where three-phase power is virtually impossible to get. What is your opinion on these devices to power a 10 horsepower motor?

MR. JAMES PARRISH: Add-a-phase is fine. They use it every day in all power companies. If you notice sometimes transformers going into buildings, it might not be but two of them; but they have three phase power. They're taking a transformer and adding another phase that way. And, add-a-phase is the same thing. They're doing it with capacitors and transformers. It's good. They've got them on a higher horsepower now than they did when they first came out. When they first came out, they came for 5 horsepower motors. Now they go on higher than that. It's a costly thing. If you don't keep the voltage right and lightning goes in on it and you have problems with it because it has capacitors in it, some big ones, you know; and they're right expensive little things. But, the operation of it is fine. No problem.

A VOICE: They're available in the 10 horse size. Would you go larger?

MR. JAMES PARRISH: You mean if you were using say a 5 horsepower or 7½ horsepower and you would get a 10 horsepower transformer? My experience with most people they're always overloading. They say, "Well, this is permanent." Then, somebody comes along with something better; and you buy it, and the first thing you know, you've got a 5 horsepower transformer and a 10 horsepower load on it. But, if you're sure you could remedy the situation, I would keep it as it was. Are you using power from the power company? It's just a little extra cost to you to operate. That's what it would amount to. But, you would be prepared, if you wanted to add something else.

MR. BERNARD THOMAS: My name is Bernard Thomas with Thomas Shows. I was quite happy to hear you say that you think no fault ground system is not going to affect us too seriously. But, I've had inspectors in our part of the country. Everything that we've got is going to have to have a ground fault interrupter system. And, that would put me out of business, I think.

MR. JAMES PARRISH: Let me say one thing, and I'll let Eddie take this from me. There are a lot of inspectors, a lot of people really that don't know about the ground fault. Some of them think you've got to put ground fault protectors in everything you've got. I'll let Eddie elaborate on it.

MR. EDWIN PARRISH: Well, ground fault with my experience, it's something that OSHA and the inspectors, they don't quite at this time know how far they want to go with it. Like I pointed out, they're really required only on construction sites and certain residential and stuff like that.

I had an OSHA official ask me my opinion of ground fault with the carnival industry. I told him I hoped he would never require that to be a part of the system, because of the nuisance of tripping. It would be so much. Well, by everything being outdoors, you're subject to damp weather quite often; and that's enough to make them trip. They are very, very sensitive. So, really at this time I don't know what they're going to do. It may be that in a couple of years they will make up their minds to really demand a lot out of you on ground fault. They are expensive. But, they are safe; they're good.

What I would say to try to please some of the inspectors is to try to use them in your shops maybe or anywhere that people come in, a lot of the public come in contact with 110 circuits. Remember, that's the only thing they're required on is 120 volt circuit; nothing higher.

MR. BERNARD THOMAS: If I go to a system like this it's going to be a serious overage. But, if it ever goes to ground fault, it's going to be unreal.

MR. EDWIN PARRISH: Well, under a system like we had, if it had to go to ground fault, it would be a simple matter of changing the circuit breakers in there. A cost of anywhere from \$50 to \$60 to \$70 apiece; I don't know. And, it probably differs with all of you; that you don't have really that many ground fault circuits to worry about. Of 15 to 20 amp circuits, you can put one breaker to take care of all of them; but then it probably would be tripping all the time and causing you problems. So, that's still up for grabs about inspectors at this time.

MR. JAMES PARRISH: Let me add one thing to that. The OSHA requirements on this ground fault are for the protection of the worker himself. They're not interested whatsoever in the patron or the person coming into the park. That's in another category. They're only interested in the workman and his safety. And, his safety is mostly around the 120 volt circuits, portable drills and saws and things like that.

I appreciate your coming. Enjoyed it. And, hope we've done some good.

TARA 1 AND 2 - STATION III

MR. BUD LACKORE: I'd like to begin this session by introducing first of all, our past president of our association, a great guy, Mr. Robert Ott from Dorney Park. Bob.

MR. ROBERT OTT, SR.: Thanks for the compliment. I'm Bob Ott from Dorney Park, located in Allentown, Pennsylvania. And we have had

quite an experience through the years in the development and operation of dark rides in Dorney Park. We have a ride called the Bucket of Blood. This is a ride that has been rethemed from originally a pretzel ride many years ago into Pirate's Cove and ultimately the ride as it is now, which we call a Bucket of Blood. The cost of admission to the ride is 50¢. The approximate length is one minute and 20 seconds, and we do use 12 cars, 11 for the actual operation with one spare. I might add that since we renovated this ride and rethemed it to its present extent, it became our number three ride. At the time of retheming, we used the successful Bill Tracy of New Jersey. We did the major work, using our own crew, the actual construction and animation. Two years ago we observed a continuing line of patrons and the inability to take care of them properly. Thus, we enlarged it approximately two and a half times its size.

As I said, we did change the name from the Pirate's Cove to the Bucket of Blood, which has been highly acceptable by our patrons, particularly the kids. Everytime in Dorney Park we change something, come up with a new name, we feel it is very important to come up with something that's going to catch the imagination.

This ride is a one level ride consisting of nine different areas or rooms, which are divided by means of swinging doors. We endeavor to separate the cars so that only one is in each room at any one time, so as not to lose the effect of going through the ride. There are various attractions throughout the ride or usual displays of humor and the scary type of attraction. We do emphasize the humor aspect. The various attractions are triggered by means of a photocell switch. We did a lot of research in this, and we found these to be highly satisfactory, and I brought one with me. And naturally we don't want to go into this at this time, but afterwards if you want to look at it and discuss it, feel free.

We have 18 of these on the ride. We got them from King of Prussia, which is very close to where we live in Pennsylvania. It has a 60 second adjustment, anywhere from one second up to a minute, which can change. We use a reflector on the swinging door. This is behind the door. As the car hits it, it comes in contact with the photocell. We have used 18 this past season, and not one failure. So we are satisfied with them, although I know there are others that do a swell job.

We do use the low bolting on them. They trigger the sound and the lighting throughout the ride. Incidentally, we did explore the use of reed switches, which as you saw, are magnetically operated and also the convention limit switch. Incidentally, the motors that we use throughout the rides on the various effects, we keep running constantly. We feel it is much easier on this equipment, rather than to be constantly stopping and starting. We had the decision of either redesigning our present dark ride or putting in a new one, in our circumstances, it was proven worthwhile to add, to renovate, rather than put up a new building. However, we were fortunate to have sufficient space to do this, even though it was quite a challenge. We use two or three people inside the ride during the operation at all times. The reason for this is for safety, to reduce vandalism and add enjoyment to the ride, as employees are dressed in either a pirate dress or something related to the theme. They can actually, at three locations in the ride, kill switches, which will shut the power off and turn on the emergency lights inside. These switches are tied up to a pilot light outside so we know when an emergency exists outside.

We use battery operated emergency lights with spots directed onto the exits. The automatic kill switches, we feel, are extremely important safety measures. We have nine rooms that make up this ride, connected by swinging doors, which swing both ways. So if you have an emergency--you have to get out--you are not locked in. The patron would not know this, but by swinging both ways, it eliminates that problem.

The partitions that make up the ride are eight feet in height, and we have a 12 to 14 foot ceiling. With this difference in height between the partitions and the ceiling, when we have an emergency condition and the lights do turn on, they will flood the entire area. On the operator's platform, we've installed an additional start and stop switch at the exit, so that on heavy days, we place an additional operator on the platform, which relieves a certain amount of responsibility from the main operator for total efficiency and safety. In the Cyclone Room, which is a very effective theme room, we have increased the effect by means of strobe lights. We have lights and various effects--to turn off while individual cars are in that room. In other words, before that car leaves the room, the lights are out, getting ready for the next car to come in. They're spaced in that fashion. That's why we can't use the 12 cars.

Ladies and gentlemen, I could talk another hour about our dark ride. If you don't have one, get one. It's a challenge to the imagination to try to come up with something new. We say there's nothing new under the sun, but this is one area you can dream up some wild things. As I said before, when the ride had been maybe 12th or 13th in revenue, it goes up to number 3. I think it is a worthwhile investment, and we do encourage it. And if you have any questions, stop me anywhere and I'll take the time to answer them. Thank you.

MR. BUD LACKORE: Thank you. And now Bob Bell, Senior from Bell's Fairground Amusement Park from Tulsa, Oklahoma. Bob.

MR. BOB BELL, SR.: We have a ride called Phantasmagoria. According to Webster, phantasmagoria means a shifting succession of things seen, imagined or invoked, and I think it fits our ride just fine. It was designed by Bill Tracy, and we did our own construction. Our theme is spooks and gore, and it's mostly spooks. Our ride is two stories high, and it is made of 16 feet tall steel belting, it's 70 feet long, 65 feet wide, has wood and fiberglass construction on the facade, 15 rides or stunts. And we built our own cars. We use 750 feet of track and have 15 cars. We can run these cars 12 seconds apart at full capacity. Each car seats two adults or three children. A large percentage of the maintenance can be completely eliminated right off the bat by wise and careful planning of your layout. It's just important that good construction design and careful building practice is used. The building that we have, 16 feet tall, it should be made 18 feet tall at least. The additional height will lend itself more readily to high waterfalls and unusually large sized stunts. The belly should be insulated, then covered with vinyl cloth and a chickenwire mesh over that, then painted with a fireproof black paint. The insulation will keep you from having to air condition your building. Your up ramps and your down ramps should be no steeper than necessary. If your inclines are no greater than one foot in every eight feet of travel--makes a nice setup, like you are going up a second story. For every eight feet you go this way, you can go one foot up. So that would be about the ratio. We don't have a

fire sprinkler system in ours, and I'll sure put one in the next time I build one. When you come into a dip, and we use lots of dips, your high part should be about 60 inches higher than your low spot. By that, I mean your plateau is up here, you make your dip, and you come back at a lower elevation. So when your car comes up, you are still sitting pretty good, and it is a nice little transition of power. Most important is to belt grind your track right after installation and bring it right down to a mirror finish. Your wheels will run smoother, and that makes the bearings last longer, and it doesn't wear your nylon wheels. It makes your brushes last longer. When your brushes make good contact, it saves overheating your motors. This also, a mirror finish, will retard pitting on the track. If you get electrical arc, it must be eliminated or the vicious cycle will start again.

In our type of ride, the capacity is governed by the distance between the cars. Means the difference between trips. If you are going to have maximum enjoyment by your customers, keep in mind that your straight-a-ways ought not to be longer than 30 feet in length. That keeps the customer from seeing another customer viewing the same trick you're looking at. In using doors for tricks or room dividers, make sure they are light and durable, made out of either plywood--if they need to be heavier, make them a steel square tube framing. Be sure to use heavy duty hinges as standard hinges aren't adequate. Make all your doors that can close by gravity, that is, without the assistance of a door closer. You can do that by tilting your door. A six foot door ought to be tilted about three inches on the bottom. Gravity never fails and your door closer will eventually fail. A door closer always fails at the wrong time. The door must open easy and then not slam too hard up against the door stop and then close again after the car leaves. You can take care of all of this by using foam rubber padding about three inches thick. The door slams open, let it slam up against the strip of foam. This absolutely deadens the impact. It also keeps the sound from transferring from one room to the other and also the light.

Customers' hats, wigs and cotton candy wrappers will shut you down and cause pile-up accidents. Any of these items might get wrapped up in the pick-up mechanism. A clear cotton candy wrapper can blow in off the midway and get around your shoes of your pick-up, and there it can get melted, and it is almost impossible to detect. It's a nonconductor. It's important that you keep your tires on your ride at the proper pressure. We use tires at 45 pounds pressure at all times. One tire a few pounds off can throw your ride completely out of synchronization. The reason for that, if you have one tire at 45 and another tire at 35, you get a heavy person on one side, that makes the wheel run at a different speed, and it will throw your ride completely out of synchronization where you have two cars too close together. When you take the car off the track handle it gently and carefully. Make sure you don't get grease on the surface of your brake pans because grease on the surface of your brake pans can cause a runaway car on a down hill grade, car run down a shoot out of control. When we put the ride away for the winter, what we do, we cover it with an open gear lube that dries. Come springtime, you take kerosene and remove the grease and your mirror finish is restored.

Sometimes we feature our ride in billboard advertising. We use 16 billboards in the Tulsa area. We also use bumper stickers. We use them for our roller coaster and our dark ride and Himalaya. And the kids can take these off and they will stick right on cloth-

ing. You have to be sure you have the right kind of bumper material to get to stick on clothing. These bumper stickers eventually get on kids' notebooks, and they wear them. On the fairgrounds in Tulsa during the fair, these kids put these on and it makes a walking sandwich board, advertising the products. If you don't have a dark ride, be sure and get one. They are sweet money.

MR. BUD LACKORE: Thank you, Bob. I'm delighted to welcome to the podium another man that's a recognized expert in the operation of dark rides, Mr. Paul Borchardt, from Wonderland Amusement Center in Amarillo, Paul.

MR. PAUL BORCHARDT: Thank you. Our cost basically is scaled from 65¢, which is an individual price per ride, if they buy a single ticket for that ride, or 80¢ to \$1 depending on how they buy a ticket. It's a ticket system. We also have a pay one price two nights a week, but we don't include the dark ride, because on these particular nights, our volume is way up. And each person that comes into the park usually rides the dark ride, so that's an extra plus on our pay one price night. We've been very successful. The length of our ride is four minutes; we have a little over 700 feet of track, we have ten cars. Our ride was built under a steel building with exterior fiberglass and wood and sheetrock walls and plywood flooring. The entire ride was designed and constructed by Paul Roads, and all work done on the ride was done in house. We did everything ourselves. The ride theme basically is one of illusionary effect. We do not have any horror type stunts within the ride. Our ride is two stories, and we have 18 different rooms within this area. We have 16 different stunts and currently we just have two rooms that are completely darkness. All our doors are steel frame doors, covered with plywood. And where the cars crash into the door, we use masonite to keep the rubber bumpers from getting all torn up. We coat the masonite and the rubber around the cars with a product called Micropel. It's a silicone base. We do this twice a week, and we have had no problems tearing up our rubber or doors either one. It seems to be working.

The basic area that I am supposed to cover tonight is lighting effects. I didn't know we had so many until I started listing what they were. But they are all basically the same. One is a blinking black light in some rooms. This is a black light that is turned on by the car. We use a black light that stays on all the time. We have incandescent spot lights in one room. We have two rooms that have strobe lights, and we also use natural light. So we have six different types of lighting effects in the ride. We've had problems in the past with black lights running out. Quite a few people use four foot bulbs. We thought that was the way to go until we found out that they actually put out too much light within the room. The light makes everything too light. And so we went to two foot bulbs, and we have even cut some of them out, because just too much light gets spilled out into the area. You are trying to light one area. Two feet is a lot easier than four feet. Also, we found that one particular brand of black light works extremely well for us. Sylvania's are the ones that we found most successful. Also, instead of the standard valve, we converted to GE trigger-start, and this has proven very successful. We had very little failure on these. Our strobe lights that we use are Wayland Engineering models, 700. We've had no maintenance problems.

The second area I'm supposed to cover is sound, and we use two different types of sound within the dark ride. One is an individual stunt sound, and also in the ride, we have a background

sound. The background sound is played also on the outside of the ride to attract customers. The interior sounds are important, as each trick might have a specific sound. In case it goes out, we have a switch set. All we have to do is switch, and it pipes the background sound into that stunt, so, in other words, you don't have a stunt working with nothing going on in there, no sound. We feel sound and lighting is extremely important in an illusionary type dark ride. In case of a malfunction on cartridge tapes we use on an individual sound, we just switch it into a background sound. For the background sound, we use the standard ten inch tape sound, reel to reel amplifier. We use the individual small cartridge packs for our individual stunts. We also have one other type sound within the ride. It's called an air horn. Since we have various cylinders throughout the ride, we may as well use air to make a big blast. I've got pictures of our sound and lighting systems within our rides. If you want to stay afterwards you can come back and see. Thank you.

MR. BUD LACKORE: Thank you very much, Paul. Now, it is a pleasure to introduce Glen Newton. Glen is with Pope Associates of Atlanta, Georgia and is an expert in power conversion. Glen.

MR. GLEN NEWTON: Thank you. That's a big introduction. What our company is in business for is to convert rides, which are gas or diesel over to electric or battery operated. The reason we do this, it is 50% cheaper to run, like a boat, train, some other ride on DC battery powered equipment than it is on gas or diesel. I've got some slides to show you of some parks and things that we have converted over. One thing, also, you don't have any fumes or any environmental problems because they are getting pretty rough on us now. Our company is named Mark C. Pope Associates. The first picture here is of a C & D battery to power these rides. This is built in several different configurations and also capacities. It is our power source. The second one is our battery charger. This unit carries a life time warranty, never has to be replaced. And also this unit puts the power back in the battery after a full day's use.

This unit right here is our motor. It has been proven about 60 years, about 15 horsepower, and this is the unit that is running every boat that you will be seeing in the future. This is our SCR unit which delivers the power from the battery to the motor. And with this, the little hand control on the bottom right hand side, this gives you a fine control. You have a creep speed, all the way up to full power, 10 to 12 miles an hour. It's very quiet. There is no noise to it. It's a better system, as far as your PA, no noise at all, your battery supplies your power for your PA system. This carries a one year warranty, and it has an indefinite life span. We have them now, I think, about 11 years old, still running. This is a group of all of them pictured in front of our business building. And it's the total package it takes to run any of these rides.

This boat was put in five years ago in 1970. It's at Six Flags Over Mid-America. They have a quantity of ten boats. Mr. Tommy Robinson, the director of maintenance, tells us that they have had a 50% more economical ride this year than they have had with diesel electric and also he had zero amount of down time. He does run eight boats and two of them stay in the dock, so I'm not going to say nothing broke down. He had zero down time, having ten boats. This is Six Flags Over Georgia's boat. They have a quantity of eight boats. And it has been running seven years on

our battery system, so it was the first. These are Six Flags Over Texas boats. They have a fleet of ten, were put in the same time as Georgia's, as far as the battery system, and they are still running on the original system. Also, you can see your little hand control on the front of each of them, the batteries in the center. This is where the guide stands. This is Astroworld boats. They have a fleet of eight boats they converted over in June of this year. The reason they converted over, they had diesels sitting where your battery is. It was very much trouble. The diesels were about seven years old, and they were giving them a lot of trouble. This is Aquarena Springs. It's been running four years on our systems. They have about nine boats at this time. This is Riverside Park in Agawam, Massachusetts. They've been running three years, and they have a train also, which we power. This is two battery chargers that are installed at Callaway Gardens, and we have changed it over. We use these chargers to charge 93 carts at Callaway Gardens, a quantity of 13 chargers do that. They are saving \$10,000 a year on electrical costs, the battery upgrading and the fact they don't have to buy any more chargers every three years with this. It's a three year pay out, it's \$30,000 but that's installation and three years to pay for it. Then they save from there on out. We are also in the emergency lighting business, installing emergency lighting. This is a battery change out system, which we build, change batteries out of fork lifts, similar equipment, pick up boats, this type of thing. That's about it. Anything we can do, we appreciate it.

MR. BUD LACKORE: Thank you very much, Glen. We've run out of time again. We find we've got a real popular session, so we don't have time for questions, but I know that the experts up here would be very happy to visit with you afterwards.

TARA 4 AND 5 - STATION IV

MR. IRV POTTER: Good evening, ladies and gentlemen, welcome to the Rides Lubrication Session of the Rides Workshop. My name is Irv Potter. I'm from Riverside Park in Agawam, Massachusetts.

Tonight we're here to discuss rides lubrication methods. And, our speaker has been involved in preventive maintenance and lubrication for about 15 years. Previous to that he was in machinery designing. Currently, he is the regional engineering manager for the Imperial Oil Company. Won't you welcome Mr. Keith Stanbury.

MR. KEITH STANBURY: Thank you. I guess the amusement park business is a little more glamorous than the lubrication business. But, our purpose this evening is to discuss preventive maintenance and lubrication.

I'm going to attempt to highlight what is necessary and your necessary considerations in establishing a program of significant value after which we can focus in on amusement parks through your questions and discussions from the floor. Obviously, you no doubt know more about amusement parks than I, having been in preventive maintenance for a long time.

First, I would like to define preventive maintenance. Preventive maintenance can be defined as a determination of what can be done economically to prevent equipment breakdowns before they occur and put the greater portion of the maintenance work on a planned basis.

Now, I have underlined here economically because it is possible to over lubricate, to over check; and you can run your costs up to the point where you're spending more money to operate a PM program than you would if you didn't have any.

In approaching development of a lubrication schedule where there is lubrication or lubrication and inspection or whatever the case might be, there are five basic factors which must be considered. The first is available manpower. To elaborate on this, you should consider your park layout and how much travel time is involved from ride to lubricant supply. Consider the caliber of personnel who are doing the work. This will vary from the area of the country, all sorts of things. How efficient are your people? Are they lubrication oriented? Are they organized? Will they walk way across the park with a grease gun and have to return back for an oil can? These are all things to consider in laying out and establishing a preventive maintenance program.

Second consideration, lubricant type. Are the lubricants in use the proper ones for your equipment? Many times we find that maybe as new rides come in you're using a certain lubricant when really it requires something of a different nature. Evaluate and make sure the lubricants you're using are right for your equipment. Consult the manufacturers of the equipment or your lubrication suppliers to verify these needs.

Determine minimum lubricant types. Now, I just suggested that maybe you've been using a product that you used to use and you've got a new piece of equipment with a different requirement. By all means, keep the different types of lubricants at a minimum. Only stock what you have to. Too many lubricants can cause too many errors.

Determine if a better grade of lubricant will allow you to extend your lubrication cycles, reduce your inventory, as I've already suggested. Reduce clean-up activity. Obviously, if you are using a better grade of lubricant, you can extend your cycles. You're going to have fewer housekeeping problems. Clean-up is costly.

The third thing to consider is your format. You have to evaluate what type format suits your needs. Determine if you want to keep history on the same form. It's very important; and I'll talk about it later. Determine if you want to use your form as a work order system. By that I mean in a lot of areas the lubricator makes notes of deficiencies found and inspection procedures. And, he's not the man to make the necessary repairs. Quite often we find the PM format or PM vehicle is used to initiate work orders or work to be done that is necessary.

Identify your equipment. Sometimes descriptive information is confusing, particularly if you have more than one ride of the same type. You would probably want to establish some type of a numbering system, location identification, where in the park is it, what number is it. If you have each piece of equipment tied to a number, it cannot be confusing.

The fifth factor to consider is the scheduling of the work that needs to be done. While I mentioned this last, it can be one of the most important factors in relationship to developing a preventive maintenance program. You must establish a method of scheduling lubrication and inspection. If you have them tied together

in such a manner as to equalize the work load between the personnel and throughout the weeks involved in your operating season--some of you have operations that go year round; others, because of weather conditions, have a given season that you work in.

In other words, each man involved should have assigned responsibilities which are scheduled to be performed in an even weekly work load. On any given week he should be performing $\frac{1}{4}$ of his monthly requirements, $\frac{1}{12}$ of his quarterly requirements and so forth, $\frac{1}{24}$ of his semi-annual requirements. Naturally, all of the daily and weekly duties are performed each day and each week.

After you consider all of these factors, it is time to establish system. The first activity is a physical evaluation of the rides. Consider that all rides and machinery are composed of mechanical or electrical components, hydraulic components, pneumatic components, this type of thing; gears, bearings, motors, roller chains and so forth are married together to perform the combined duty of any given machine. This relates to the amusement parks as well as to the manufacturing throughout the country.

Normally, you start your notes with the driving element such as an electric motor and follow the drive train clear through to the end of the movement. If you follow this line of thought and evaluate each component as to its lubrication requirements, you will end up with total lube requirements for the ride. And, obviously, as you go from ride to ride, you end up with the total for the whole park.

While evaluating the ride, record in your notes the ride description, the identifying number if you've assigned one and the location within the park. Now, from your notes and your knowledge of the lubricants involved, you consider the operating conditions such as heat, water, dust. Some of your rides are in buildings; some are outside. You have varying weather conditions, depending on the area of the country you're located in. And, you also consider the amount of use that the ride gets. From all of this information you can determine what your necessary lubrication requirements are.

Remember that your program should include the parts to be lubricated. It should be spelled out, the lubrication cycle, how often it should be done and the type or the identification of the lubricant required.

Since you now have all the notes on the components that are involved and you know the operating conditions and the utilization, it's a simple matter to establish a frequency of inspection activity. Usually, we use a predetermined inspection procedure for any given component. And, the cycle of frequency is varied according to the conditions and utilization. Now, what I mean by that, I know in our company our roller chain has a definite inspection procedure that we use to evaluate what kind of shape it's in, if it's doing the job it's supposed to. Electric motors have a special procedure. We use these in multitudes as is necessary to establish preventive maintenance for the entire park.

Now that you have all of this information, you have to prepare your format which you've already picked with the information that you've developed in such a manner as to complete the lubrication and PM program.

Now, at this point you may think that you're arriving at a position where your work is about done. But, to the contrary, it is just begun, for the program must be implemented and properly controlled before you'll achieve maximum benefits.

To implement the program, give much consideration to whether to start in the whole park at once or a given portion or section of the park at one time. My preference in large parks would be to start in a portion first. In using this approach you're working with only one or two people for implementation; and your successes will be easier to control.

People naturally resist change. They also resist paperwork. Consequently, the fewer people involved initially the easier the implementation will be. If you have 50 people involved, you've got a big job. Make sure that things go as they ought to go in kicking off the program; and there will be some resistance.

After you determine the scope of the implementation or how much of the equipment you're going to start with at once, the next project is to train your personnel. Thoroughly explain the format and the paperwork involved. Don't just hand them a pile of paper and confuse the heck out of them.

Review the lubricants and their functions, what products you are going to be using and why you'll be using what you're using and what their intended jobs are supposed to do, what they're supposed to accomplish. Consider involving your lubricant supplier for this type of training. Explain to your personnel the goals and the objectives of the program and how it can help make the job easier by relieving them of the memory portion of lubrication. Now, the memory portion of lubrication relates to the man going out, coming to work on a Monday morning and he says, "Well, gee, I got to go to the merry-go-round; or did I do that last week? I wonder if it's due. I wonder if it's not due." He gets half way through one job and due to a coffee break that's due or maybe something happened on the ride next to him, he gets interrupted. If he's following the program and making notations of what he's done, he's got no problem in remembering where he left off.

After you develop and implement the program, you can't let it die. You've got to continue with PM involvement. Periodically, you ought to update the program as you add equipment or as you delete equipment, get rid of equipment.

Another involvement is the periodic sampling of oils, primarily, that you take from gear boxes, hydraulic systems and other circulating oil systems. Pull samples of these circulating systems, whatever they might be. Send them to your lubricant supplier. Have him run a laboratory analysis on them. Don't change your circulating oil systems just because they're six months or a year old. The longer we can make an oil work, the better off we're going to be. Many times a lube supplier will take care of this analysis at no charge. You will just have to check with your lubricant supplier to see if he's one of them that does.

Keep history. Generally, we like to see on the PM program a provision for the keeping of history, recording down time losses by the amount of time loss and the reason for the time lost.

Whether it's local government situations or whether it's government operations such as OSHA, the recording of down time losses

and this sort of thing can be very beneficial when you run into that sort of situation. It's also beneficial in spotting weak links in the operation. What I mean by that is very possibly you have got for one reason or other a gear box or electric motor that's actually undersized for the job that it has to do; and if you keep the history and why the equipment was down, it will stand out like a sore thumb that by golly, I keep having problems with the same thing; maybe it's time to re-evaluate or put in a bigger unit or something of this nature.

It will also help you in determining the level of spare parts to keep on hand. Because by referring to your history, you can tell what your parts replacements have been.

In addition you can determine the efficiency of the program and the personnel involved in the program. Is your program working? Is it doing what you want it to do?

Above all else report to management the effectiveness of the program. It has to constantly be sold to management. Very possibly the first season of operation with the PM program your maintenance costs are going to rise. The reason for this is that you are trying to establish preventive maintenance and at the same time you're continuing with the firehouse type of maintenance. Since management's paying the bill, you have to continually sell to management the results of a program and what you are going to do with it, what it's going to mean to the entire operation. At the same time you must sell downward from your position to the personnel who are using the program, doing the lubrication and inspecting and this sort of thing in order to keep their interest and their effectiveness. Don't hand a man a piece of paper and expect him to for now and forevermore follow it. It won't work. Even if you properly plan, implement, train and everything else such as we've described here, you can run into a lot of problems.

The major concern, as I've already pointed out a little bit, is personnel problems. Sometimes the experienced man will feel that the establishment of the system is reducing his importance in the total operation. People resist changes and paperwork, as I've already said. They may seriously resent this type of activity.

Management problems can relate to additional expenditure for manpower, which is a possibility; depending on what type of operation you have, it may be necessary to hire a new man to take care of preventive maintenance while you are eliminating the firehouse type maintenance. There are times when clerical help is necessary to keep the program alive and keep it moving. Sometimes the maintenance superintendent does this. At other times he's a busy man, and they have a secretary some place doing it.

You may even find that you want to replace some parts. You may want to change lubricants. As I mentioned before, go to a better grade of lubricant. As you go to a better grade, your lubricant costs are going to rise. Additional problems can be derived from the loss of control of the system. Plan your format in such a manner that the original papers are not used for work implementation. If you do, there is a good possibility that some of these papers are full and that whatever it may be will get lost in the process. Use a copy of your original program to send out to the men doing the work, or else maintain a master file so that you can periodically check and replace those papers, those pages which are missing out of the working program.

When you establish a lubrication program, very possibly you will bring to light the fact the lubricant supplier, the container size, the dispensing of equipment or handling practice may need revision. Not in the amusement parks, but in manufacturing plants, I've seen the time when they bought a Cushman golf cart and removed the racks off the back of it and put a pickup body on the back of it just to haul lubricant dispensing equipment around. This is efficiency in personnel, movement of personnel.

After I bring out all of these things, you are probably wondering why the heck you should go through all this in the first place. Believe me, the benefits of a good preventive maintenance and lubrication system will far outweigh the costs and labor involved in development. The systematic approach to maintenance will provide work relief for maintenance management and management personnel. Day-to-day instructions are predetermined through the program. Instructions are definite. They're logical, and, therefore, allow for the planning of time, tools and lubricants and so forth without close managerial supervision.

If your program is put together right, theoretically, anyone who can read can do a fairly decent job of lubricating your equipment. This is not the ultimate, of course; but there are occasions when you're going to have to rely on this type of activity due to shifting of the work force, due to sickness or vacations, personnel turnovers. You may have one man leave you and you hire another and you really, for one reason or another, don't have the time to train him immediately. He can do a decent job, if he can read, providing your system is set up properly.

Planning maintenance will decrease down time on equipment and provide maximum safety to your customer. I say very little about safety. There's been a lot of talk already about safety. I've listened to part of it. And, while safety is an important part of manufacturing and is quite often included in preventive maintenance programs, I think the safety requirements are far more critical in this type of business in which you people are involved.

I have with me some samples of a lubrication and preventive maintenance system on a ferris wheel which will be available in the Plantation Room at 10:30 after the workshop is over. This information I've taken off of a program that we put together about a year and a half ago for a park in Omaha, Nebraska. The sample there does include safety checks in relationship to a ferris wheel. Neither I nor my people put these safety checks together. It was added to the program by Nyle Taylor who is manager of rides at Peony Park.

That's really about all that I have to say. Obviously, you can add safety requirements. It's a very important part. I would like to entertain questions from the floor.

A VOICE: On an open-tooth gear do you have any recommendations? We've had a lot of problems. We've used a number of lubricants, and nothing seems to stick. The cleanup process is costly. It gums up in the gears themselves.

MR. KEITH STANBURY: This came up at the last session also. It's a difficult thing to elaborate too much other than talking about open gears in general. In the last session they were talking about the noise of open gears. And, most of the open gear lubri-

cants that you will be using, if they're in an aerosol spray can, will be an asphaltic type compound. It's almost like a tar. They are cut back with a solvent; and the solvent evaporates, leaving the material on there. This is not really a lubricant. It's strictly a shield between the two meeting parts.

Our company recommends the use of a true lubricant on open gears. There are several manufacturers depending on the operating conditions, whether they're wet or dry or hot or cold.

You may run into problems going from a true lubricant from an asphaltic compound, if that's what you're using. Because, quite often we've found that in order to get the true lubricant to stick to the gear you have to manually clean asphaltic compound off the other gears. If you've recently changed lubricants, that could be what you're fighting.

Too many times I think open gears are over lubricated, and they will throw off the excess lubrication.

A VOICE: It's a real problem. We use a Keystone grease. It's a tar type black lubricant. It leaves an awful mess, not only to keep it on the tooth but to keep it from flying.

MR. KEITH STANBURY: The latest open gear compound that my company has developed is one that everything involved in the composition is considered a lubricant. It's very adhesive. If you get it on your hands, it's almost impossible to get off.

A VOICE: Does it bunch like the tar?

MR. KEITH STANBURY: If you get any bunch out of a good open gear lubricant, you're probably using too much. In evaluating your open gears the primary thing to do is to wipe your finger across the pressure side of the tooth, of course, when the thing is standing still and if you get a good smudge of grease on your finger, you should have decent lubrication. Anything above that is excessive; and it will throw it off, because the excess is going to get into the crown or the back side of the tooth.

A VOICE: What's the name of your grease?

MR. KEITH STANBURY: Well, our trade name is Lube Oil. We're Imperial Oil. It's called 882.

A VOICE: How about chains? I tend not to put too much lubrication on them.

MR. KEITH STANBURY: The biggest problem in lubricating chains is that we find that people use too heavy an oil on roller chains, the thought being--a film of lubricant between the roller and the sprocket tooth. This is wrong. In lubricating chains you should use a light bodied oil. And in theory the oil then penetrates down to the pin and the roller mechanism on the roller chain. If you can go up and down your chains and move your rollers very readily, you're probably getting fairly decent lubrication. If any of them are frozen, you're not getting penetration, and your lubricant is too heavy. It takes very little oil to lubricate this minute pin and roller assembly. I realize some of these chains are a good size, so we use a light bodied oil and very sparingly. The oil should penetrate. And, if it's properly lubricated, it should look almost like a new chain. And, there's very

little oil on the outside to accumulate dirt and dust.

A VOICE: Would you put it in the sprocket?

MR. KEITH STANBURY: No, just lubricate the chain. I would put the oil on the chain. It has contact with the sprocket, because that's where it's working, if at all possible.

A VOICE: Do you have a number, an oil you recommend?

MR. KEITH STANBURY: We use what we call SOM. It's a very light oil. It comes in a spray can. I dislike spray cans myself. I think they're expensive and wasteful.

A VOICE: I'd like to ask one more. In a hydraulic shift at times we don't have a number 10 oil which is required in the housing. We have used the fluid drive type oil. Does that make a difference?

MR. KEITH STANBURY: I don't have my specs. An SAE 10 oil as opposed to what?

A VOICE: A regular ATF.

MR. KEITH STANBURY: Automatic transmission fluid, they should be close to the same consistency or viscosity, as the term goes. The difference would be in the additives that are involved. And, I seriously doubt that the automatic transmission fluid has the extreme pressure characteristics that the SAE 10 oil would have, although SAE 10 is kind of a strange recommendation for a transmission.

A VOICE: Well, like hydrosifts.

MR. KEITH STANBURY: They are hydraluc systems. In reality you're using a hydraulic fluid medium for other than lubrication. Is that correct?

A VOICE: That's right.

MR. KEITH STANBURY: Then, your ATF should perform well. In fact, if you have any temperature changes, hot to cold weather, it would probably perform better, because it would have more resistance to change in temperature. It's like the difference in an SAE 30 and a 10W30. It's called viscosity. I could get into 30 minutes explaining that. But, it should work better if you have changes in temperature.

MR. IRV POTTER: What do you do about raising the status of the guy with the grease gun? Normally, he's looked down on in most parks.

MR. KEITH STANBURY: I have not run into this in amusement parks. But, I have run into it in industry. Industry is taking steps towards trying to alleviate this problem. And, indeed it is a problem. Lubrication is one of the most important things that you have going for you in maintenance and keeping your equipment going. And, quite often the low man on the totem poll is on the job as greaser not because he wants it, but because he's low man and he's got to take it. It's a dirty job. So, industry in a lot of cases is writing a new job description, so to speak, and offering a few cents more an hour additionally in order to make

it more attractive for a man to get involved in lubrication. Other than that, the only thing you can do is to train your people and supervise them properly to get the job done.

A VOICE: Is your company into synthetics much? I'm employed with synthetic oil, and I don't know what to think.

MR. KEITH STANBURY: We do have some synthetic products. In fact, we're getting into it a little more. Primarily, because we're involved in a lot of operations in Canada and the northern United States in mining industries where we're fighting temperatures. Normally, the synthetics are very good when it comes to changes in temperature, particularly in the lower ranges where you're down to zero and 20 below and that sort of thing. I personally am not that sold on the synthetics for the type of applications that you normally run into. I think you're better off with a good mineral oil or lubricant.

Don't be afraid to pay for your lubricants. If you buy a cheap lubricant, you've got a cheap lubricant. It's like buying a pair of shoes.

I think there is a place for synthetics. And, normally it's either in very high temperature applications or low temperature applications. As far as amusement parks are concerned, you should not have the high temperature requirements. And, if you have the low temperature requirements so that it would require synthetic oil, you would probably close down.

A VOICE: I have a condition where I have extreme tension on chains in order to keep the block in a certain alignment that's on a conveyor system. They recommended to tighten it so that you will have only five-eighths of an inch deflection, so you have an extreme amount of pressure there.

MR. KEITH STANBURY: Can I ask you, when the ride was new, did you have chain problems with that or has it been since, after you first replaced the original chain?

A VOICE: I haven't replaced it.

MR. KEITH STANBURY: Where you're running a chain under very tight or extremely taut conditions, you should probably use a solid chain. Now, there are two different types of chains. Again, you get what you pay for. The split roller chain is the most common, because people buy on price. And, if you talk to a chain manufacturer or chain supplier, he can explain the difference thoroughly. Obviously, we don't have the time to go into detail here. What it amounts to is the roller is formed on a split roller chain. There is a seam. A solid roller chain would stand up to greater pressures and this sort of thing.

A VOICE: It's a solid roller chain.

MR. KEITH STANBURY: Then the only thing I can suggest is a light bodied oil, depending on how big the chains are. The bigger the chain the heavier the oil. Get the one with the best EP characteristic you can find. My preference would be to use a molli-additive type oil. But, that's the business I'm in.

A VOICE: What about a hydraulic oil versus the usual oil we put in some of the hydraulic systems. I got hooked \$3 a gallon for

some the other day.

MR. KEITH STANBURY: You bought apparently a synthetic motor oil to put in a hydraulic system is what it sounds like. I'm not that into synthetic motor oils. We do have one. We only market it up north in very cold conditions. My thoughts are that in reality hydraulic oil is manufactured with resident oxidation inhibitors and anti-foaming agents and anti-wearing agents and this sort of thing that are not found in an automotive engine. And, if the hydraulic system is under service, which most of them are, I'd stick to a hydraulic oil as opposed to going to an engine oil.

Thank you very much.

... The workshop adjourned at 10:30 p.m. ...

FOOD WORKSHOP

SATURDAY, NOVEMBER 22, 1975

TARA BALLROOMS 1, 2, 3, 4 AND 5

The Food Workshop convened at 9:30 a.m., J. C. Evans, Gold Medal Products, Cincinnati, OH, presiding.

CHAIRMAN J. C. EVANS: Good morning, ladies and gentlemen. Welcome to the impulse for profits seminar. I'm J. C. Evans from Gold Medal in Cincinnati. This morning we are going to try something a little different. There are a lot of people left upstairs in the coffee shop but we don't want to cheat you all, so we'll get on with our program. First, I'd like to introduce the members of our panel of experts. Starting at my left, your right; Bill Near from Cedar Point on Lake Erie in Sandusky, Ohio; second, in the red coat, Bob Plarr, Dorney Park, Allentown, Pennsylvania; on my far right is Mike Mason, Director of Food Service at Worlds of Fun in Kansas City; Bob Holcomb, Director of Food Services for ABC, Scenic and Wildlife Attractions, Silver Springs, Florida; and immediately on my right is Ralph Doughty, Assistant Director of Food Services at Knott's Berry Farm in Orange County, California.

What we're trying to do this mornig, is to get a lot of people involved, ad lib, talk about your food and beverage operations in your parks, and particularly, lay questions on the experts who have achieved something a little better than the national average. Everybody should have access to one of these 1975 IAAPA Food Workshop sheets. This may look strange to some of you, but we looked at 800 of them from a number of companies in the hopes that we could get a very solid cross section of the food status among each of these 22-24 questions or question areas. One of the reasons for this seminar this morning is the fact that in your pay one price situation, which a lot of parks are in right now, top management's generating traffic; but once the person's inside the park, there are only a couple of general areas of variable income. In other words, your per capita income from admittance is certainly rigidized. One of the variables is selling souvenirs, gifts and novelties and games. The other is food and beverage.

So what we are trying to do today is work on this group of prospects who are already in the park. This is your potential--

one of your two or three potential areas of increasing income on a per capita basis. In our business, we get close to a lot of concession operations and their situation sales per capita certainly is king. And frankly, I don't think that is 100% true. I think the profits per capita are really the bottom line--on the one meaningful yardstick.

In this questionnaire, we will talk about per capita income. Per capita isn't always the only measuring stick as Bob Holcomb told me, "You know, one day we had per capita sales, food and beverage sales of \$7 per capita, which was fantastic." He said, "Unfortunately, we only had 300 people in the park so we lost a fortune." So, let's assume that traffic is already there. We want to shoot for the top levels in profits per capita.

On the top of your questionnaire, we tried to make some sort of definition of food split out, the food and beverage situation, the impulse snacks, the fast foods, which are more the restaurant items. So we said the impulse snacks, you can read what they are; the fast foods would be the restaurant type items. And the first question, do you separate fast food sales from impulse snack sales? Only 60% do; 40% do not. In your case, Mike, you separate. What do you do?

MR. MIKE MASON: I think any business that you are managing, the more detailed and the more specific you can be, the better you are going to be able to run your operations. Per capita only is not the yardstick by which you measure successful operation. Like we do separate very, very detailed our per capita spending in each area, labor, food, and then our net profits in each area. And what this does is, we have run into situations during our three years of operation where, when you get down to the detailed part of it, you can make adjustments, operational wise, menu wise, and increase those profits.

So I feel that as much detail as you can produce from your operation through whatever accounting means at your disposal or accounting means that you create yourself is very beneficial. And it will give you that detail that you need in order to analyze your operations more thoroughly.

CHMN. EVANS: Thank you, Mike. The second question; what is your total per capita revenue on all fast foods and impulse snack sales? We got down to per capitas, and, of course, we'll have to forgive Bob in Dorney Park because they have no way of counting accurately the number of people in the park because of basically a free gate. But how about the rest of you who have a way of figuring how many people passed through your entrance gate?

MR. RALPH DOUGHTY: At Knott's, we have a unique situation. We do have a price for going into the entertainment area as well as we have a multitude of shops and our two major restaurants outside. So there is a distortion of the per capita, but it is applicable. We have a set per cap for inside, and we use it extensively for projecting estimated labor needs derived from sales, what we expect from sales, as well as our product needs. It works in scheduling and ordering, on what is going to happen and what isn't. So we pay very much attention to the per capita inside. As I said, we do have a little bit of distortion on the outside, but it is applicable. Based on the number of guests and their paying to go in, we can determine what our per capita should be or will be with some relevance on the shops outside as far as restaurants and con-

cession shopping.

CHMN. EVANS: Thank you. Now, you probably wonder what the per capita should be, so you want to know what the range and per capita sales of those food and beverage sales were. Among those people who did furnish this type of information, the highest one was \$2.55 per capita, which was split out, \$1.74 on fast food or restaurant type items, and 81¢ per capita on the impulse snacks, the finger snacks, the long profit snacks primarily. The lowest was 25¢ per capita, and this happened to be a wax museum, and this would be somewhat understandable that they would not, in close confines, want to load the place up with too many food and beverage items. There were several people between the \$1.50 and the \$2.55 figure, but I would say in ranging this thing statistically, the mean, the median or the mode, would be in the range of roughly 85¢ to \$1.15. It's one of those situations, if you aren't keeping this per capita, you don't know where you are, you don't know where you want to go, and if you ever get there, you won't know that you have arrived. So this is, I think, the primary reason for maintaining those per capita breakdowns.

We are asking question 2-C; "What's happened to your combined fast foods and impulse sales over the past year?" I think everybody had an increase in sales revenue. Certainly inflation had a big bearing on that. I would say this--if you didn't, it's time for you to start, at least, those bench mark figures so you can determine where you are going. We say profits per capita are king. And we threw this question in, "Do you maintain these profit figures?" I think certainly everybody in the fair concession industry can do this, people with multi-unit operations, people with single operations. This is a situation where you finally boil down to one meaningful figure, "What are we making in terms of profit?" Sales without profit are irrelevant. Now I'll ask--at Cedar Point, are you maintaining a profit per capita? Do you boil it down to the bottom line? Do you find it's too much trouble?

MR. WILLIAM NEAR: In answer to the question, yes, we do. We are fortunate enough to have a computerized kind of program, and each of our 44 locations are broken down on a daily basis as far as per capita and on a weekly basis regarding our actual profit and loss, our financial performance.

CHMN. EVANS: You are lucky to have a computer. But basically a computer is nothing more than a fast arithmetic machine. Regardless of the number of turnstile clicks you have basically you are talking about using simple arithmetic. It's not all that difficult to set up your program. You start with your income and just elementary accounting is all that you worried about.

Next question we've got on our survey involves labor. It's kind of interesting on the impulse side. Some people had labor cost percentages as low as 10% as expense factor. Most were in the 12, 14, 16, 18--I'd say the range on impulse snacks was roughly about 16%. One person had 25%. And I really think they should look into their operation. Say, Bob Plarr, what does your labor percentage run in your snack bar operation? Do you separate the restaurant areas from your finger snacks or impulse snacks?

MR ROBERT PLARR: No, we don't. We take an overall percentage cost. Our percentage cost runs about 19.5% labor. And that's really not too bad, I don't feel because our food prices are pretty low. Our food costs run about 35%. That's a little high compared

to people like Hersheypark, Worlds of Fun. But again, our prices are pretty low.

CHMN. EVANS: This is like maybe $1\frac{1}{2}\%$ over the impulse snack average, and, of course, you're lumping your restaurants in there. Bob, in your ABC operations, do you separate the labor factor in your restaurants, as a percentage, from your finger snack, impulse snacks?

MR. ROBERT HOLCOMB: We're much like everyone else. We keep very detailed records. Our fast foods operations run during our peak season around 18%; impulse or mobile facilities, we program at 12 to 14%, and the sit-down restaurants do run as high as 30%.

CHMN. EVANS: On your restaurant type operations, this is about the figure we came up with on the survey. I think next year, when we put this question out, we will say, "What is your overall, total labor cost factor?" and then boil it down to the additional, one for restaurants and one for impulse snack bars. One person indicated 33%. The most frequently mentioned percentage, one that was mentioned quite often, was 21%. How do you force that 33% or the 25% or 28% labor figure down a little lower? Let's see, Ralph, in your operation five years ago, how high were you running and what have you done to force your labor cost down as to percentage besides raising prices on the snacks?

MR. RALPH DOUGHTY: To raise prices on the snacks is the last thing we try to do. As was pointed out, labor costs--it's essential that it be as controlled as possible. We break it down into the real fast stands, such as the popcorn, ice cream cart, so we can see what they are running, where they should be. We break it down into the fast food stands so that we can see what a little larger operation is running. Our labor costs run from about 18 to 24 during summer versus winter, peak volume versus slack times. In restaurants we run about a 24 to 27. But I state these figures to you only so you can use them as a barometer as to how you are doing. And that's how we use them. How is this manager performing in his unit last year versus today? And that's why it is very vital, we feel, to have these. Getting back to the original question, how do you maintain or reduce labor? Something that we feel is very vital at Knott's Berry is man hour productivity. Every year we are getting wage increases. As we know, January 1, we are looking at \$2.30 an hour minimum. Knott's Berry Farm hires only 18 year olds and older because of our California law. And you can understand what this does to us percentage wise. And we can't necessarily hold the manager accountable for that, so how do we use or how do we measure the productivity of this man's performance? So we lean very heavily on sales per man hour. Three years ago in our fast food operation we were running approximately \$13.00 per hour productivity. Now, we are up to \$15.50 per hour. Productivity in our restaurants, we were running just about \$10. per hour productivity. Now we are looking at approximately \$13. We attributed this to good interviewing, comprehensive training and continuous work and evaluation of our operations. So we try not to go right to the retail price and pass it on to the customers in relation to maintaining labor costs.

CHMN. EVANS: You mentioned one thing, where you were working on a unit basis. Now, a lot of you feel that by the size of your operation, you can't relate to Knott's Berry Farm. But if you have one stand and you maintain records on that one stand exactly the same way they are doing out there in California, you can relate and apply exactly what any of these panelists are doing to your

own operation even if you are only turning 100,000 turnstile clicks a year. But just bear in mind if you only turn 100,000 people a year, you can do all these things. You can alter your menu. You can relay the stand for productivity. Certainly you can spend more money for supervision. You may spend less money and actual people on the serving lines.

On the subject of training and motivation, how many people here actually, in their training sessions for supervisors or employees try to get involved in this motivational thing? How many people here have attended at least one lecture in the last twelve months on the subject of motivating your employees, how to motivate your employees? This is something that is kind of interesting. At one of the National Association of Concessionnaire Meetings, one of the speakers was Angelo Fortuna from Philadelphia. And he basically is a staff psychologist. And his subject was on motivation. He's the guy who said, "You don't motivate your employees; rather, what you do is provide an atmosphere where they can motivate themselves." Are your supervisors exposed to motivational training? How many people provide some sort of training for supervision so that they, in turn, can really motivate the individuals who are working for them besides Frank Silvani at the LeSourdsville Lake? We believe that he gets more productivity out of his people simply by motivating. What do you think the importance of motivation is to the employees?

MR. FRANK SILVANI: Understanding, talking with, make them feel that they are a great big part, make each employee feel that he is a big, big part and a great big asset to the organization. Give him understanding, with kids, a lot of love and care, go along and meet them half way or further, if you have to. But if you treat them right and if you work with them, get along with them, but never let them forget that you are the man, you'll get a lot out of these kids. You'll get a lot out of older people. In fact, this year we have hired eight or twelve over 65, senior citizens. And when I first started with them, somebody said, "What are you going to do with those old fogeys?" Those old fogeys were our backbone. They kept the young kids moving because they see this old fogey jumping around like a nut. They try to keep up with me. Nobody can.

CHMN. EVANS: He's got a great esprit de corps among his people at his park, particularly in the food service operations. You can't underplay the importance of providing that atmosphere in which people motivate themselves. We are sitting in a situation where we have got to provide that atmosphere in which people can motivate themselves. We've got to provide some formal training in basically managing for results, directing personnel. Courses like this are being held. I'm sure most every university has an extension service, continuing education for business leaders, whether they be salesmen, supervisor, foremen or whatever. I know we are bombarded in Cincinnati from all the universities around us. These types of educational courses are available if you just look a little bit. Spend a little money to get your supervisors enrolled. Of course, the question is how long of a tenure do your supervisors have? Bill, at Cedar Point how long would you say the average seniority of the people who are one or two levels below you is?

MR. WILLIAM NEAR: We have a slightly unique situation at Cedar Point in regards to seniority. Cedar Point approximately four years ago set out to acquire a total food service program of which

we basically have done in the past year. And so subsequently we have been bringing on management at different years. We do, however, on our permanent management, have a very low turnover. Of course, on the seasonal people, we also have the situation with our seasonal people, we use over a thousand people a year in our food division, so they are turning over pretty good.

CHMN EVANS: I felt that you had some long tenure in some of your employees. Earlier this year I had an opportunity to be at a regional concession meeting the National Association of Concessionaires put on in Minneapolis. Paul Heckof who runs the Lincoln Park Zoo in Chicago as well as other beach locations along Lake Michigan mentioned that his average supervisor has been with him for ten years or more and some of them for a lot longer. They just continue with him. So you have to really look into yourself. If you don't have this sort of seniority or tenure among your food service supervisors, look to yourself and try to find out why. Why do people quit? Why don't they come back? It goes without saying that the more experienced your supervisors are, the longer you can expect them to stay. For example, the more you can afford to train them and, of course, the better they are, the more they can influence productivity. At Worlds of Fun, Mike, what's your average tenure of your supervisors?

MR. MIKE MASON: We have four permanent people on our staff. Of course, these people have been with us three and two and one years respectively. Our seasonal supervisors are all fellows who have been with us since we opened the park in '73 so we have built up a real good, strong arm in that segment of our operations. This coming year we are going to place a gal in a supervisory capacity for us. We do have them in the park; but as far as our food operations are concerned, this will be a new area for us. And we feel that we can be more flexible in certain areas. A majority of our ambassadors, we call our employees, are girls. And in certain cases, I think we will be able to stress more messages and have better communications on a one-to-one basis with a female supervisor.

CHMN. EVANS: One reason why you don't have any people with more than three years because you weren't open that long. At any rate, getting on to the questionnaire, we sort of hit some of the questions, 1 through 4. The next question, of course, is drinks because I think drinks are probably the single item on the menu which encompasses the most amount of sales volume. We should have really divided this question up into maybe 10 or 20 parts to really come up with some meaningful averages. "Rank your drink sales from one to whatever in the order of units sold." All but 15% did give some ranking to the drinks. And it is kind of interesting--if you don't know what is selling well, then, how do you know which to push, and do you over-inventory or do you make too many selections? At any rate, cola flavors were obviously first. And there was basically a three way tie with the number two drink with the Seven-Up type drink, orangeade and lemonade. There were the same number of mentions for second place and for third place and for fourth place among these three areas. Root Beer was fourth in some places.

Of course, down in Texas you got a lot of people who were doing a big job with Dr. Pepper. And, of course, Dr. Pepper was in strong second place in some of those places in the South. But as I say, it's very difficult without getting dollar ranking by product. In other words, your cola drinks probably far and away are the number one and had enough spill over to be number two also.

I was kind of surprised to see lemonade as popular as it was. How many people out here sell a diet drink? How many people don't sell a diet drink? I think there's more people that don't sell a diet drink than do.

MR. ROBERT PLARR: We did, but we got rid of it. We didn't have that much call for it. We had Tab many years. They just didn't call for it, so we got rid of it.

CHMN. EVANS: I think you ought to come back. I think people are changing, are a little bit more conscious. Of course, iced tea really is a diet drink if you don't have it sweetened. Of course, everybody serves iced tea in the restaurants. Anybody sell iced tea on their impulse snack bars in the midway? Is that a good item for you, Frank?

MR. FRANK SILVANI: Very good.

CHMN. EVANS: It's a very good item in LeSourdsville Lake. You sort of look at iced tea as something that is served with a dinner or a meal. My wife--she's one of these diet conscious persons who if she can't get her non-sweetened drink or her artificially sweetened drink, she won't have any drink at all.

Does anybody serve fresh lemonade, like made right with lemons, right there?

A VOICE: Masters from Milwaukee. A fellow in Milwaukee originated lemonade stands that he travels around fairs with. And they are fresh lemonade. You use a good, beyond a medium size, about an 80 count lemon, and you cut it in half and then quarter it and use three pieces and you use a cocktail shaker. And the gas in the thing is to have the girl shake it right there. We get 60¢ for it. And they stand in line to do it. It's a real seller. And you use lemons and sugar and water, like you would make it at home.

A VOICE: What size cup is that?

A VOICE: We use a 16 tall, 16 ounce. And you can even use an 18 ounce, because you put ice in it, you put a cube of ice in it, and you give them a big drink.

CHMN. EVANS: How much sugar do you put in it for $\frac{3}{4}$ of a lemon?

A VOICE: Quite a bit, about a third of a cup. It depends on the drink. But you find out what your clients need.

CHMN. EVANS: Again, the food cost on a 60¢ sale depends obviously on what lemons and sugar cost, but it can't be very much, can it?

MS. JOYCE ANDERSON: As you probably know, almost everything is legal in the State of Nevada, so we sell alcoholic beverages. And I would be interested in knowing if any other park sells alcoholic beverages.

CHMN. EVANS: How many parks here sell alcoholic beverages? How many sell beer as their only alcoholic beverage, you who have your hands up? How about hard liquor? Just about a handful. What is your rationale?

MR. HOFFMAN: It makes a lot of money.

CHMN. EVANS: And your park is?

MR. HOFFMAN: Jones, Michigan

CHMN. EVANS: Do you have a beach situation at Jones, Michigan?

MR. HOFFMAN: No. We bought the town of Jones. It's all restored. It's a restored restoration.

CHMN. EVANS: It's a restored restoration area, an old town themed area. Again, Ponderosa Ranch would be a themed area. Anybody just have a regular amusement park where you sell hard liquor?

A VOICE: Yes, we have it at Adventure Land in Des Moines. We have a themed section and have an old type restaurant. We sell alcoholic beverages in there. We serve specialty drinks, we have an Old Steamship, we call it, that's been very profitable. And we have very few problems in our park. I think the fright for many people selling hard liquor is the midway and the concern over problems. And again, if you control it and get it in a themed area, preferably with families, adults who would be intelligent adults, you shouldn't have too many problems.

MR. ROBERT HOLCOMB: Three of our parks, this year, we put in 16 ounce beer in souvenir mugs along side some mini-snacks that basically were selling hotdogs and cokes. We're selling 16 ounce beer for 95¢ in three of our parks. We've been doing 15.7¢ per capita off that beer. Beer has been a tremendous seller for us. I tried to talk our boss into putting it in last year. He was real afraid of the reaction we would get from the public. We have not had any negative reaction. We haven't had any problems. Busch Gardens gives it away, and they don't have any problems. Beer is a good item to sell.

CHMN. EVANS: I think that everybody in the old days was scared to death that they'd have difficulty in controlling the drinking age, and then secondly the people would drink too much if they're going to stay a number of hours at your park. If you are going to be there for six hours, you might get a little bit snuckered.

MR. ROBERT HOLCOMB: We haven't had any problems. We haven't had one person that we have had to cut off this year. Basically, the beer is all outside. The children will get a soft drink. Mom and dad will have a beer or two. I think one of the best ways to control, not having a problem, is by training your bartenders.

CHMN. EVANS: How many ID's do you request if there's a question?

MR. ROBERT HOLCOMB: If there is a question, we request two.

A VOICE: Do any of the operators serve the beer in the containers that the manufacturers put it in?

MR. ROBERT PLARR: I tell you what I do. We have a real strict law in Pennsylvania. We have a restaurant with a liquor license, it's the only place we sell liquor and beer. We do a tremendous amount of catering. For instance, Mack Trucks went through close to 30,000 cans of beer in six hours. That's the only picnic we used cans at because there's such a volume that we can't serve it fast enough out of a keg. For instance, the Teamsters a few years ago, went through 80 halves of Busch beer and 100 halves of Budweiser. We order the beer in their name. We can't order it in our name. We charge it at cost, and then we charge a service charge to handle it and a \$5 service charge to dispense it, and we charge

for bartenders. That's the only way we can get around it. We cannot serve because Pennsylvania is tough. That's the way we handle it out there.

CHMN. EVANS: In terms of beer, it's something you tailor to your own situation. You do have potential hazards depending upon the average age and the types of groups you have. At Worlds of Fun you have lots of groups from the local cities, young people, high school age. You handle beer how?

MR. MIKE MASON: We don't.

CHMN. EVANS: King's Island, just north of Cincinnati, it's available in one area called the Oktoberfest area. And that's where they have their German beer garden and this type of fast food area.

A VOICE: He mentioned a souvenir mug with the 95¢ beer. What type?

MR. ROBERT HOLCOMB: They are darn expensive. Usually beer is going to run about 18%, liquor costs--it's raised our costs to 40%. I'll be happy to get with the individual and tell you where I get the thing from. We have the logos of the park printed on it.

A VOICE: Do you offer the beer with or without the souvenir mug?

MR. ROBERT HOLCOMB: The first beer is 95¢ with the mug. An additional refill in the same mug or an extra mug is 50¢. That's the only way we sell beer in our fast food situations.

CHMN. EVANS: I'd mentioned that orange and lemon ranked second, third and fourth in almost all questionnaires. How many people sell ade type beverages in every location where you sell carbonated? There's only one or two. This may be one reason why some of your second place drinks are second place because you don't offer them as much as you do the others.

Slush--slush certainly is a beverage. There's a question of whether water ice or Italian ice or Italian water ice or Greek ice should be handled in the beverage category or not. At Hersheypark they sell slush at eight different locations; they sell water ice in six locations. And, of course, this is one of those parks where they have an extremely high per capita, one in excess of \$2, and a heavy load on the second half, the impulse snacks. Again, it's the availability. How many people don't know what water ice is? Would you explain, Bob?

MR. ROBERT HOLCOMB: It's a non-dairy custard type product that dips, similar to an ice cream cone. It's very easy to handle. It is handled by four or five companies in the states that do the most volume with it. We've introduced that again this year. We have doubled our sales in 1975 in foods, so we've added a lot of items. Water ice, we are running about 7¢ per capita, and we are selling it in each park in at least two separate locations.

CHMN. EVANS: Actually, you can make this type in the soft ice cream machine. And because it is a non-dairy product, I think in most areas you might be able to get by from the Board of Health on, say, weekly sanitation, if that's how you have to sanitize your slush machine. I think you can probably get by with ice the same way. You might look into it, because since it is a non-dairy product, you should have an extremely low percentage food cost.

MR. ROBERT HOLCOMB: It's about 14%. We are selling it for 25¢ at all of our parks. It's easy to handle. The health department leaves you alone.

CHMN. EVANS: In Bob's case, he's buying the paper ice cream, two and a half gallon size. Other people are making it in a soft ice cream machine, and you eliminate all this business of having that daily, horrible sanitation.

A VOICE: Would you be so kind to tell us how big a serving that is and how you serve it?

MR. ROBERT HOLCOMB: We serve it in a printed souffle cup, three ounce souffle cup. We carry three flavors, and we scoop a little bit of banana and a little bit of raspberry and a little bit of blueberry in the same dip, two dips to the souffle cup. People eat them when they are walking around.

CHMN. EVANS: Other people serve them in sugar cones.

A VOICE: Do you give a spoon with it?

MR. ROBERT HOLCOMB: No, we don't.

CHMN. EVANS: You just eat it like ice cream. It looks like a sherbet. Basically it's a syrup, say a fountain syrup, with some thickeners in it or some stabilizers, something to give it a little body. And there's not much cost to it. And besides you are whipping it up in a machine, so you start off almost with, say, an ade type beverage in terms of product cost. Then you end up with 50% or 60% overrun by the air you whip into it. Your cone probably costs as much as the stuff you put in it.

MR. ROBERT HOLCOMB: We're running 14% right now. I do it in soft ice cream machines, but I'm sure the soft ice cream machines are pretty expensive.

CHMN. EVANS: At Lagoon Park, Stan Briggs mentioned and his survey showed his third most popular drink is slush. He only offers it in two locations. Slush machines are quite expensive. I don't say it has a higher profit percentage per sale than cold drinks. But you have a higher prestige value. If you've got a seven ounce Coke or Pepsi you basically have an acceptable price of that. But if it's slush or if it's ice, for example, somehow you can always get a nickel or a dime more. So the prestige value in the eyes of your park patron might be higher with an ice, water ice or slush or even a snow cone. At any rate, things that I think you should consider are what is the prestige value, and price per ounce on your various products.

Yet, take a snow cone. What do you have? A half pound of ice and an ounce of syrup and a paper cup that maybe costs six-tenths of a cent. Your food cost, if you have a high capacity ice maker, would be about the same as it is for beverages, yet normally you get a little higher price per ounce on it.

One more comment on cold drinks. How many people here use the value pricing? I think we should explain just what value pricing is. Basically, when you set up your menu, your menu board, you have drinks, and you put "small," "medium," and "large." Never start with "small." You've got to start with "large." Then "regular" as your next one and on the bottom "small." The theory of

value pricing is to let the people know what size cup you have and let them figure out that it is a bargain to buy the larger size. Your middle size, don't ever call it "medium;" you call it "regular." And so you have "large," "small" or "regular." It's just a theory on value pricing of your drinks. Maybe you could do it on popcorn. I don't think you could do it on every other item. But you look at your menu, your finger snacks, your impulse snacks, and see how many items you could go with three selections, whether you can value price them. And again, it's the theory of trading.

Next thing in line is on sandwiches. As you would expect, 75% of the people indicated hot dogs was the number one sandwich; 22% said it was in second place; and 3% had hot dogs in third place. I think this is probably the easiest no burner type snack available. And of course, it's easy to put hot dogs in almost any place where you sell drinks, almost every snack bar. Some had 18 locations where they sold hot dogs. The average came out 4 per facility, but of course the wax museum sold only in one place.

Twenty-five percent of the people who responded only sell hot dogs in one place. Now, only 35% of those who sell hamburgers only sell those in one spot. That, of course, would be the number two sandwich. Another third sold it in two locations; and of course, another third would be selling it in two or more. Fifty percent of the people sell hot dogs in three or more locations. Is there anybody here who doesn't sell hamburgers at all? Why don't you sell hamburgers?

MS. BUTCHART: We have only handled our own, not leased it for the past two years. And we decided that it has been killed so bad, that the only way we could bring it back was to introduce something else, which we did, tacos, and they have gone over very well.

CHMN. EVANS: In Wisconsin?

MS. BUTCHART: Right. They love them. Now, we feel after two years of operation, we can afford to bring back the hamburger under our supervision, so this is what we are going to do. But this is the reason that we did it.

CHMN. EVANS: Here's something that's kind of interesting on sandwiches. Corn dogs, 60% of the people sell corn dogs. How many people here sell corn dogs? I would say not much more than a third. Up here, do you all sell corn dogs?

MR. ROBERT FLARR: We used to.

CHMN. EVANS: You'd better start back again. In terms of your corn dogs, what's your rationale, price wise versus your hot dogs, food costs, etc.?

MR. WILLIAM NEAR: The corn dogs, I guess, we introduced those about five years ago; in 1975, we sold slightly over $\frac{1}{4}$ million hot dogs on a stick. The reason I guess that we use them in our part of Ohio, we found that there was a tremendous popularity for this type item. Hot dogs on a stick I guess just seems to be much more than an ordinary hot dog. Of course, your food cost per se runs about the same per hot dog.

CHMN. EVANS: Of course, with the rising price of bread and buns, I wouldn't be surprised if eventually a corn dog would cost you

less money. And how much more do you get for a corn dog than you get for a regular hot dog?

MR. WILLIAM NEAR: Basically, at this time, our hot dogs are the same price level. We're getting 60¢ for hot dogs.

CHMN. EVANS: Sixty cents for a hot dog; 60¢ for a corn dog. Do you price them the same, hot dogs and corn dogs? Ralph does. Mike?

MR. MIKE MASON: Yes, we do. We did that to eliminate decision making by the guest. We price them both on the same level.

CHMN. EVANS: Do you prepare your own mix or do you buy store bought mix? Do you buy a regular hot dog-on-a-stick mix?

MR. MIKE MASON: No. We purchase a product out of Dallas.

CHMN. EVANS: We handle hot-dog-on-a-stick mixes. We have had some people take that mix and jazz it up with a little powdered mustard, dried and minced onions. And it gives a little more zing to the hot dog.

A VOICE: I was just going to ask, what's the size of the hot dog?

MR. WILLIAM NEAR: We use a standard sized hot dog. On a regular hot dog, they are ten to a pound.

CHMN. EVANS: Do you use paper sticks or wooden sticks?

MR. WILLIAM NEAR: We were using wooden sticks until we came to the convention. We saw this stick. One thing, hot dog on a stick, when you are talking about an impulse sale, I think that the one thing that we have found is the sheer fact that you are producing this product in front of the guest has a very high impact on the sale.

CHMN. EVANS: On the subject of hot dogs, nearly everybody here sells hot dogs. How many people sell chili dogs? I'd say less than a fourth. How many of you sell cheese dogs? How many sell sauerkraut dogs? How many sell a Reuben dog? You know, a hot dog is so easy to make and so easy to romance, that it's kind of funny to see so few people who are really reomancing this item. How many people sell foot longs? Probably about 15%. Do any of you sell foot longs up here? How many to the pound do you get on foot longs? Maybe you can give us a little rationale behind your implementation of foot longs.

MR. ROBERT HOLCOMB: We use a 6 to 1 foot long hot dog. We price it the same price as a hamburger. The cost on a foot long hot dog compared to a hamburger is about 3% less. I think a lot of you people are missing the boat if you don't have those, kraut dogs, cheese dogs, combinations. You can buy a darn chili pot for less than \$1.00. You can put an extra 15¢ on that product by using two or three ounces of topping. And it does nothing but decrease your overall food cost, raise your per capita, give you more money on the bottom line. All it takes is really a soup pot and a ladle to put the thing on, takes the girl two seconds maybe to dip it out.

CHMN. EVANS: When you get to this type of product, there are chili toppings which have no meat, they don't have any beans, they don't have anything, just kind of a sauce. Some people will run, say,

6% meat, some will be basically beans and no meat. There will be some that will be 6%, 15%, even as high as 40% meat, before cooking. Mike, do you sell chili dogs?

MR. MIKE MASON: Yes.

CHMN. EVANS: What type of topping sauce do you use in terms of meat? Do you use one with meat?

MR. MIKE MASON: Yes.

CHMN. EVANS: What percent? Do you know?

MR. MIKE MASON: No, not right off-hand, I don't. It's a high percentage.

CHMN. EVANS: This is something--when you get to the barbecue sandwiches, chili dog dressing, boy, you really have to know what percentage of meat content prior to cooking is in the sauce, because the prices vary all over the map. If you don't have any meat in there, it's very inexpensive.

But again, you get your average customer once every year and a half or maybe once every year. Others of you are able to cater to the same people, same family, maybe three times a year or maybe four times a year. That would be rather frequent. The one point you have to keep in mind is that if you are selling quality and you want to keep a quality image in your food stands, you may prefer to get a 16% meat, maybe a 40% meat.

A VOICE: Do I understand you have hot dogs on a paper stick?

MR. WILLIAM NEAR: Yes.

CHMN. EVANS: In children's lollipops, the little white sucker sticks, that's not a wood stick anymore. It's a paper stick. It is rolled tightly and it's called Setterstix. And they are in one of the exhibits, I assume, out in the floor. And most of the concession stands carry Setterstix. It's paper. It's flexible. The point isn't quite as pointed as you find on a wooden stick. It's a little flexible, and it will break, if you really try to make it break. Now, in terms of the hot dog, you have little or no resistance. I don't know if anybody in the concession industry has been sued with a youngster falling on a wood stick. I guess I shouldn't be making a pitch for this product, but I think it does have safety. Some parts of Pennsylvania have outlawed sticks; haven't they, pointed sticks?

MR. ROBERT PLARR: They outlawed everything.

CHMN. EVANS: I remember one of our customers in a town where they outlawed pointed sticks--he had to get a saw and saw the end off his candy apple sticks or sand them down, or something like that. I think if you aren't selling foot longs, you ought to look into it, six to the pound, same price per pound.

A VOICE: Do you cook your foot longs the same way?

CHMN. EVANS: The answer is "yes," because all hot dogs are cooked at the sausage factory before they are packed, so your theory is only that of warming.

MR. RALPH DOUGHTY: Something I might point out, this year, that you may or may not know, at Knott's, we opened up a new theme area, called it the Roaring Twenties. A vital point of sales is showmanship or merchandising the product. We added a new unit which we call "Lindy's" and all we sell is one hot dog, a seven inch, ten to the pound, which we grill in front of the guests. And we have a large grill elevated approximately 12 inches with a large mirror behind the cook. The cook stands above this, and the guest looks in. We are selling a hot dog for 85¢, and it's either a grilled hot dog with chili, a large thick slice of tomato or sauerkraut. We projected approximately a thousand to twelve, maybe hopefully fifteen hundred dollars a day in sales. The first week we took off with fifteen hundred a day, we peaked out at \$2400 a day, in this unit, just in showmanship.

CHMN. EVANS: This sort of brings us on to our next subject. When you get down to impulse snacks, you can't sell what you can't deliver. You must have an opportunity to stimulate peoples' impulses--the impulse of sight, smell, hearing, the combination of these things. You've got to have the snacks where they can get to them. So we will talk about the number of snack bars which are available. How many impulse snack areas are in your facility? A fourth of the people only have one. But what about the rest of the people? Seventy percent, 60%, therefore, have two or more impulse snack bars including mobile facilities or supplemental stands. The average number comes out to nine total snack sales area. And of course, this includes somebody with one, on up to somebody who has 23.

The parks that have between four hundred and five hundred thousand annual turnstile clicks, nearly everybody has four stands. And nearly all of those in that range have been 90¢ and \$1.01 in spending. Now, it is significant that no park in the half million range in terms of turnstile clicks has any mobile or any supplemental refreshment operations. Going up to the larger parks, those that have a million or more in attendance, also are staying at about a dollar in food spending. Again, they have no mobile or supplemental refreshment stands. The interesting thing is the only people who have mobile or supplemental stands are those people who are doing \$1.75 to \$2.55 in their per capita spending. So I think possibly we can learn a little something from some of these people. I think one of the most dramatic improvements in per capita sales at Cedar Point came from adding a few more stands. Could you tell us about your theories on mobile or supplemental or kind of into traffic patterns that you have at Cedar Point, Bill?

MR. WILLIAM NEAR: Basically, when we are talking of traffic pattern, I guess we first relate it to stands. We have seven popcorn units and eight ice cream wagons. The ice cream wagons are a tremendous success for us. In our ice cream wagons in 1975, we had a 22% per capita, which is really remarkable for us. Basically, one of the things that we did, we keep down to two items to keep it simple in the ice cream units. But this year for the first time in one of our units we went to a frozen banana. We get 30¢ for an ice cream novelty. We got 60¢ for the banana. The banana in units outsold any other location at least two to one. So it's a consideration.

A VOICE: Where did you get your bananas?

MR. WILLIAM NEAR: There are a number of companies making them. I don't know if you want me to promote the companies. Chill Pak

in Lorain is one source.

CHMN. EVANS: Basically, the thing is, you cut the banana in half; you coat it with a chocolate syrup, and you flash freeze it. And having the facilities to flash freeze it is something that not everybody has; and therefore you may have to go to somebody who premakes them. I think King's Island makes them on the premises. The food cost is nil.

MR. WILLIAM NEAR: I think one thing you have to take into consideration when you are handling a product like a frozen banana, is that there is a risk factor. I'm speaking of transportation problems. If there is a delay in getting the product to you, it could entail three or four days, even though it is maintained that the product is in a frozen state, that might not be the case. You can wind up with a black banana for 60¢. Somebody might shove it in your ear, you know.

CHMN. EVANS: Are the carts out every day of the week?

MR. WILLIAM NEAR: Yes, the carts are out.

CHMN. EVANS: If you hit that half million turnstile count on a hundred day operating season, you are talking about 5000 people per day average. But at no day of the week do you ever have the average. If you have 35,000 people a week, chances are likely you have 10,000 on Saturday and 10,000 on Sunday, and you've got 3,000 daily the other five days of the week. You are probably over equipped with your present facilities for that Monday through Friday traffic. And you are probably underequipped for the weekend. I think there is a certain rationale that says you've got to have some additional impulse capability for the weekends. Do you do that, Ralph?

MR. RALPH DOUGHTY: Yes, absolutely. With our addition, this year, we found that we were actually understaffed facility wise this summer. And as a result, we are adding three new units this fall. In addition to five carts, these carts are going out currently on Sunday and this is very effective, very, very helpful.

CHMN. EVANS: You basically are prewired with a conduit. You've got the place where you can hook up very quickly? Are these outlets locked or just hidden behind bushes so nobody can find them?

MR. RALPH DOUGHTY: They're out of sight in concealed service facilities. And we roll the carts in out there. They're not the most attractive, sitting out on location, not in operation, so we try to remove them from the area.

MR. BOB HOWARD: Bob Howard, Liberty Land. This is a new park designed by Randy Duell and Associates. It's in Memphis, Tennessee. For some of the people to project, it might be interesting to know that they are projecting 700,000 people for Liberty Land, and we have 16 mobile carts. These range from two popcorn to two hot dogs, sausage and biscuit, ice cream, etc. We also have three permanent stands on which we are selling some of the same items.

CHMN. EVANS: I think maybe we should be talking to architects a little bit ourselves or they should have a chance to sit in on a meeting like this to see what can be done. Some of you are involved in the design of your parks. Sometimes you have architects do these things for you. You can develop the world's most beauti-

ful installation, yet totally inadequate in impulse snack sales capability. I don't say everything has to be mobile.

I know, we get involved with, say, municipal architects, people who specialize in city projects, and they can come up with the world's greatest community recreation center with a beautiful swimming pool and fantastic gyms and exercise rooms. But, unfortunately, they forget that people are just about as refreshment conscious as they are recreation minded. I guess the manufacturers should take part of the blame for not educating the architects. At any rate, the point we are trying to talk about here is impulse snacks.

It's kind of interesting--we ask for ride capacity per hour. Most people didn't have any answer. Certainly, if you have an 18,000 per hour ride capacity, you've got 18,000 people there on Saturday or 18,000 there on Sunday--the people are kind of hurting a little bit, because they only get to ride one ride an hour, so what are they going to do the rest of the time? Queue up in line? Why not wheel that supplemental operation right there to the queue line, and by the time the people are finished their wait, they've already finished their snack. And, of course, nobody takes any snacks on any major rides. So, I say, you might look at your ride capacity and look at your turnstile clicks and just sort of on your busiest day when you don't have time to do it, take the time and sort of see where the people are. That tells you where you have a chance to impulse.

MR. ROBERT HOLCOMB: We've experimented quite a bit with carts on days when there are 2,000 people in the park, on days when there are 15,000 in the park. Regardless of the number of people in the park, we've done two to three cents consistently per capita. So, it's just a matter of what you want your labor costs to be to make it profitable. I don't care if you have ten carts out, you are going to do 8¢ per capita in most situations. It's just a matter of how many carts you need for 2,000 people, how many carts you need for 10,000 people.

CHMN. EVANS: Again, trying to get a gut feeling drawn out of this thing, I kind of looked at about one permanent stand and one supplemental stand for about every 100,000 in annual attendance. This doesn't take into consideration how many menu items you have in supplemental stands, how many menu items you have in your permanent stands. But it seems like one permanent and one supplemental for every 100,000. Those would be the figures that would be mentioned most frequently trying to program the half million attendance in with the one million plus attendance.

I think we are right on that ratio pretty well. This is something I didn't really go into initially. The question of mobile or supplemental stands was sort of an afterthought. I think it is probably one of the most important things people can do to up their net profit per capita. It may not change your total spending for food and beverage. But when you talk the food costs on popcorn, the food cost on your frozen bananas and these super high long profit numbers, these are the ones you want to push. You may not change \$2.25 per capita spending because you are already up in a pretty good neighborhood, but you may shift some of your restaurant food sales with their inherent high labor and high food costs over to these with the super low food costs and labor costs.

Going into some of these other questions, you want to know

how you are doing in relation to everybody else, on snow cones, 90% of the people sell snow cones, but half of them only offer in one location. The average number of snow cone locations per park is like one and a quarter. Here again, if you have the ice making capacity on your premises, this might be something that you might look at just a little, in a little more detail.

A VOICE: What are the prices on snow cones? What are they charging for snow cones?

CHMN. EVANS: Thirty, thirty-five. It looks like twenty-five, thirty, thirty-five is sort of the range. How much are you getting for snow cones, Frank?

MR. FRANK SILVANI: Twenty-five. This year we came out with a second size, if you remember. We came out with a 50¢ size.

CHMN. EVANS: You came out with a 50¢ size snow cone. What do you serve that in?

MR. FRANK SILVANI: Ten ounce cone.

CHMN. EVANS: One flavor, two squirts?

MR. FRANK SILVANI: One squirt. We are there for money, not for health.

CHMN. EVANS: One squirt of syrup. Anybody offer two colors? The rainbow snow cone, anything like that? Rainbow snow cone, the way to do that is to have a pressurized system valve to squirt out your three flavors. You know, in the cocktail lounges when you get a bourbon and Seven-Up, there's a little cobra arm. You can do the same thing on your syrup. While you don't get an accurate measurement, usually you will find if you take that thing and rotate it, like, once around, by the time it's ready, you've got an ounce, you're so close to an ounce, it doesn't make much difference. But here again, I think we've talked about snow cones, syrups. I think it's the fact that we haven't applied the technology that's available to solve these problems. And again with a CO₂ tank and a cobra and two or three push buttons, you are going to get two flavors or whatever. Soft ice cream. Any comments or questions about cones?

A VOICE: I'd like to ask a question about Italian ice, perhaps, to Bob. I've seen it three ways. I've seen it in a soft served ice cream machine or in a two and a half gallon tub or you can buy it in the wrapper. Which of the three is most popular?

MR. ROBERT HOLCOMB: Again, soft ice cream machines, I go that way if I had more soft ice cream machines. They are pretty expensive. Our second largest seller in all of our parks is soft ice cream. We have five large soft service machines in each park, so if I get another one, I put soft ice cream in it. The way I sell is in the bulk, primarily because of quality. Probably a lot of you sell frozen snow cones that you get from a dairy or your local purveyor. I try and stay away from that just as much as possible because I think if you do it in house, you do it in front of the public, it's better showmanship. You get a better quality product.

CHMN. EVANS: I'll ask Bob Plarr how they do it in Allentown.

MR. ROBERT PLARR: For years we used to dip it. It's a mess be-

cause as soon as you leave the kid, there's no control. They might put three dips on for their buddy. So this year they came out with a package, a triangular package. I think it came out in the last one or two years. We just picked it up. There's no mess. It has Italian ice. It looks like a triangle. All you do is hand it out. There's no mess. It's great. I sold it for 35¢ at the races and it went like wildfire.

CHMN. EVANS: On frozen desserts, you mentioned soft ice cream-- 70% of the people who sell soft ice cream only offer it one location. And again, on frozen desserts, only a third of the parks offer frozen bananas with an average of two locations per park. What did you say your per capita was on frozen bananas?

MR. WILLIAM NEAR: I said in general our ice cream wagons were 22%, 22¢ per capita, but I just said that the bananas in 1975 doubled any of the individual units.

CHMN. EVANS: Going back to per capita sales in other areas, we didn't ask in our questionnaire what your per capita sales on soft ice cream would be. Bob, do you have any bench mark because you offer it in four or five spots?

MR. ROBERT HOLCOMB: We do 12¢ off soft ice cream in our best park. The lower park goes down to 7¢. Still, you take a million people; that's a lot of ice cream cones.

CHMN. EVANS: What's your food cost, Bob?

MR. ROBERT HOLCOMB: On soft ice cream, we are running an 18% cost. We use a Sweetheart cone. We use a total product cone, supposed to go 4½ ounces, usually goes out at about five ounces.

CHMN. EVANS: What's the selling price?

MR. ROBERT HOLCOMB: Two years ago at 25¢; right now it's up to 40¢.

A VOICE: Is there anybody here who finds hand dipped ice cream to be a better seller than soft ice cream?

A VOICE: We cut out our soft serve.

A VOICE: In our area, the hand dipped ice cream is really the way to go. I just wondered how other people are reacting to it.

CHMN. EVANS: How many people hand dip ice cream rather than novelty? I'd say maybe a third. How many people sell soft ice cream? Probably two to one.

MR. ROBERT HOLCOMB: We sell both kinds and the only problem with hand dipped is that it's just too slow when you are busy. You can't hand dip that fast.

A VOICE: Our people wait.

MR. ROBERT HOLCOMB: If you can reduce your lines, you are increasing your per capita.

CHMN. EVANS: We said 75% of those who offer soft ice cream offer it in one location. Hard ice cream, the average is 1½ locations per questionnaire. So taking that average, I'd say most parks who

responded to the survey have hard ice cream, in about one location. How many people who hand dip have an attendance of half a million or more? Do they wait? Mike.

MR. MIKE MASON: Over the years, I've spent considerable time on trying to expedite hand dipping operations. Staffing is important. You have to have fellows or gals with some pretty good sized forearms, scheduling how you handle these people. Nobody, no matter how strong they are, can dip ice cream for six, seven, eight hours consistently. Rotation of people is very important. And then your menu offering--some parks were offering 28 or more flavors. You just can't do that. That was the major problem to slow service. But we have a total of eight flavors, six ice cream and two sherbet flavors. Through scheduling, rotation of people, a lot of merchandising and salesmanship, the kids are constantly, "May I help you," offering suggestions if the people do not have one already in their mind, just generally expediting the overall process.

CHMN. EVANS: Question on your ice cream. Do you costume your people where you dip your ice cream?

MR. MIKE MASON: Yes, our entire park, each section is costumed differently.

CHMN. EVANS: I see. I was just thinking of the old time, parlor type things. Of course, in your old time situation, like at Jones, Michigan, you have your old fashioned ice cream parlor and dipping ice cream fits in. Bob, how many flavors do you run?

MR. ROBERT PLARR: I run eight flavors. We built a brand new ice cream parlor last year, and we have soft ice cream line only and a hard ice cream line only. We find that the soft ice cream outsells the hard ice cream about 4 to 1. The main reason, on a busy day, we can't even keep up with the soft ice cream, it's so busy. And dipping it just takes forever. It's a real problem. Like you said, you need big forearms, and it's mighty tough on a busy day.

CHMN. EVANS: Comment on the subject of ice cream. How many people are familiar with Mr. Zip's Great American Sundae Factory? Basically, they will give you per unit cost plastic banana boat, plastic sundae dish, put the soft ice cream in it, and you make your own sundae. You say, "Gee whiz, you're going to put too much topping, too much of this, too much of that." But it's already included in the price. The average person doesn't do it that way. It may be an idea you might try to experiment with, this build your own sundae concept and just have the condiments, put the toppings out there, the dressings and so forth. And again, you'll probably get one heck of a higher price for your sundae. But at the same time, people are only going to take so much.

Any other questions or comments on the subject of ice cream and frozen desserts? The question was, where can you buy premade frozen bananas? I know somebody advertises in Amusement Business. I've seen the ad. I know if you stop by Amusement Business magazine's booth in the exhibit hall and leave your card, one of the representatives here will go back to their advertising department and send you the names of probably everybody who has his. Also, I believe Amusement Business has a buyer's guide edition. The buyer's guide edition of Amusement Business will have, I'm sure, sources for these products listed. There's a lot of good ads in

there. Amusement Business has the source data. Any other questions about frozen desserts? Okay. Hot dogs. I think we've covered those pretty well. Question from Bob.

MR. ROBERT PLARR: Last year we had a problem. We didn't want to raise the hot dog prices. We had 10 to the pound hot dogs. In August we went to 12 to the pound hot dogs. We haven't had one complaint. The people couldn't tell the difference between 10 and 12. It brought our food costs down, and we had no problems. So if you are thinking of doing something like this where you don't want to raise the price next year, try a 12 to the pound hot dog. The public really appreciates it.

CHMN. EVANS: I'd say that's a good suggestion. In the process, consider those toppings. One caution. When you do go to dipping get yourself a dipper which has exactly a little less than what you want your average serving to be. Mike, what suggestions do you have to control portions of topping for your hot dogs?

MR. MIKE MASON: We have a utensil that, when level, is the proper portion for our foot long hot dogs, with chili we go with two of those level portions.

CHMN. EVANS: You don't sell chili dogs in a standard length?

MR. MIKE MASON: Yes.

CHMN. EVANS: How much more do you say you get for a chili dog?

MR. MIKE MASON: Fifteen cents on a small one, and the same on a foot long one.

A VOICE: What do you put on your hot dogs besides buns and a hot dog? What else do you put on there?

MR. ROBERT HOLCOMB: In the larger parks we are using the package. They are darn expensive, but the health department doesn't bother you by using the package. It's easy to control. In our parks, we put them right in the bag. We put one of each. If the people don't use them and they haven't ripped them open, they go back on the counter. I think most of your larger parks do this.

CHMN. EVANS: When you get close to 3¢ a copy on those little packages, if you give them--do you give them relish and mustard or relish and ketchup or all three?

MR. ROBERT HOLCOMB: Yes. The cost on a packet right now, if you are buying in volume, is going to run about 1.2¢ each.

CHMN. EVANS: Little people pay more.

MR. ROBERT HOLCOMB: That's probably true.

CHMN. EVANS: Yes, they do. Corn dogs, we said two-thirds of the people sell those in an average of two locations per park, yet hot dogs on an average of four locations per park. I wonder if you sold corn dogs in as many locations as you sold hot dogs, whether corn dogs might be a higher per capita figure. Do you sell them in as many locations?

A VOICE: And they are a lot higher.

CHMN. EVANS: Comment made by the lady up front is that she sells

corn dogs in every location in which she sells hot dogs.

A VOICE: Equal number but not the same places.

CHMN. EVANS: Do you sell corn dogs in the same spot you sell hot dogs?

MR. WILLIAM NEAR: No, at Sandusky, we sell them separately.

CHMN. EVANS: We say the last word hasn't been written, so I think we all have a lot of things that we can experiment with. I think you have to shake up the status quo or at least challenge the status quo, the old paralysis by analysis situation.

Slush--our next item. Forty percent of the people sell slush in some form with an average of two locations per park. We'll mention Lagoon out in Salt Lake City where slush is the number 2 beverage, but they only offer it in two locations. But they offer cold drinks in quite a few, more than two locations. How many people have more than two locations where you sell slush? Okay. What's your rationale for selling in more than two locations, Frank?

MR. FRANK SILVANI: Because we had a promotion with the King Quick and the Icy Bear. And we used this Icy Bear in our food stands and we used yours in our sweet shop.

CHMN. EVANS: This is an interesting comment. Frank sells both carbonated slush and non-carbonated slush. You tie in with the Icy Bear in one of the local convenience stores that has 130 to 150 spots in the area called King Quick Markets. He also has a non-carbonated slush and doesn't get any food promotion but your food cost is lower.

MR. FRANK SILVANI: Our food cost is lower and it sells much better.

CHMN. EVANS: Now, I'll tell you one thing. We get involved with the discount store people. And a lot of them are not promotional minded in their food service operations, and it's certainly worth it to have somebody to come in and do all your promotions for you. But in your business, you can afford those food promotions. This is something that I kind of wonder about. What are we going to do about merchandising? Comments?

MR. RALPH DOUGHTY: Something we have done at Knott's. We did sell a snow cone. We got away from it primarily because of logistics and handling the ice and portion control on syrup. We were putting a fruit syrup, boysenberry of course, on our snow cones. Since then we have gone to a carbonated slush--Icy is the product name. The reason for it is we sell up to 1,400 units a day. We have had tremendous success there in maintaining our portion control as well as being able to sustain the volume.

CHMN. EVANS: I think we all should probably give a lot more thought to these super cold refresher type snacks because this is still going to be the bulk of your impulse business, that plus a few salties that go with them.

Fried chicken--60% of the parks offer fried chicken on an average of one location per park. Does anybody sell chicken in a little impulse snack bar?

MR. HOFFMAN: We use it for picnics.

CHMN. EVANS: You in Jones, Michigan sell it to picnic groups. Do you sell carry-out for picnic areas? Some of the big themed parks discourage bringing picnic baskets. I think this is probably true of most of your bigger theme parks. How many people try to prevent picnic baskets from coming in? I don't know whether it is a trend or what. I know you do it because it is the way it works best in your set of circumstances.

Peanuts, we tossed a question in about peanuts. These would be peanuts in the shell. A little less than half the parks sell peanuts in the shell. How many people here sell peanuts in the shell? Way less than half. When you are selling your peanuts, what do you have to get for peanuts now?

MR. FRANK SILVANI: We get 35¢ for three ounces.

CHMN. EVANS: Who's dropped peanuts from their menu in the last two or three years? Why did you drop them? Will you tell us?

A VOICE: The peanuts weren't as good and they're just not too good a profit item.

CHMN. EVANS: Your profits shrunk. You know, if you've got good peanuts you can raise the price and pretty well get there.

A VOICE: The peanuts for the last year or two have been rotten.

CHMN. EVANS: French fries, 90% of the people offer french fries. How many people sell french fries along the midway? Bob, what's your success along the midway?

MR. ROBERT PLARR: We have always had good success. And we do a lot of frying and catering. But there is a new item that just came out. It's a preform french fry. It's precooked. It's super. I just tasted it about a month ago. And it cooks within 60 seconds, so you can put out three orders to the old one order. And it's really good in volume. It just came out this year or last year. Believe me, if you have any kind of volume, that will really help you in catering, or at your park. If you have any questions on it, I can always get the information to this company, and we are going to it.

CHMN. EVANS: What size portion are you presently selling for what price in french fries? Do you know off-hand?

MR. ROBERT PLARR: I think it is $2\frac{1}{2}$ ounces for 40¢, somewhere around there.

MR. RALPH DOUGHTY: I believe the product he is talking about is a dehydrated product. It's like a Potato Pearl. You put it in the machine and it automatically injects water into a pistol cylinder and compresses it, extrudes it out and then it is cut by a wire. It looks like a french fry in appearance and it cooks in a third of the time.

CHMN. EVANS: Is it frozen?

MR. RALPH DOUGHTY: No, it's a dry storage.

MR. ROBERT PLARR: This is a frozen product.

CHMN. EVANS: Of course, potatoes are something--there are a lot of major manufacturers deeply involved in finding more ways to

make them easier to present, make them more attractive. There are a lot of food service magazines that are available free. If you ever get to the restaurant show, Chicago, you should probably try to sign up to be a free subscriber to magazines like Restaurant Business. What's your prices on retailing french fries?

MR. MIKE MASON: Forty-five cents for four ounces.

CHMN. EVANS: So you are talking about a dime or eleven cents per ounce, seems to be pretty much the going rate for french fries right now in midway sales.

I guess we get back briefly to mobile, supplemental stands. Only a third of the people use them, but those who do use them have an average of 7.5 mobile or supplemental stands per park. One fourth of all of them happen to be popcorn. Another fourth of them are ice cream, so you can see, 50% of the mobile stands or supplemental stands are selling either popcorn or ice cream, 7% are hot dogs, 6% are water ice, 7% are cotton candy, 18% are supplemental cold drinks, 3% are soft pretzels and 5% are snow cones. So you pretty well run the full gamut of your menu.

Trying to wrap this up, I think the most serious problem is the fact that most people don't respond to a survey. The more input we get into something like this, the more output everybody gets out. If we each have an idea and we trade ideas, we each have two ideas. This is the whole idea of a survey--responding to it, trying to analyze it and then reaching some conclusions.

In terms of food service we have to recognize that the only people we have to work with are those individuals who are already within the fence of your park and variable income from food and beverages certainly is one of the easiest ways to really improve your bottom line figures.

So I think we have to get an age of professionalism in your parks and start implementing that title of director of food service operations, get that person who has access to the trade journals serving food service. A person who wears many hats in a 400,000 turnstile may have a little problem being an expert in all of those fields.

Now, I would say this. At this point in time, I think we've got extremely good attendance. I've heard from some people that directors of food service in some of the theme parks are really seeking an annual meeting where basically they can get together. I think this is something that Bob Blundred and the Board of Directors of this association will have to look into. But I urge you to write a letter to Bob at IAAPA headquarters and give him your thoughts on directors of food service getting together at a park.

A VOICE: Does anyone in the room have statistics in regards to food capacity versus ride capacity, 25%, 50%? Whatever your ride capacity is, do you have a statistic of what your food capacity should be? I was wondering if anyone had a hip pocket figure they worked from, not necessarily that they turned in, but anything in their hip pocket in regards to these two situations.

CHMN. EVANS: Again, these operating ratios are something which we really haven't developed. You can develop these things and develop your own bench marks in your own park and next year see

if you do better. Maybe you don't need industry averages because your park may be unique. And I say you can develop internally a lot of these statistics and then keep improving on these kinds of things.

MR. MIKE MASON: This year we experienced about a 7% increase in our attendance, and we had over a 30% increase in food volume. I have to attribute a good portion of that increase to inpark promoting, which I think is a new arm of our industry as far as park business is concerned. We have always approached it from the standpoint that we have a captive audience and they are going to buy something. Well, they are not going to buy as much if you don't do something to make them buy. This year we spent totally in the area of \$90,000 for a complete food promotion, and that \$90,000 got us over a 30% increase, which was in excess of \$600,000. So if we can have a net gross profit of a half million dollars, spending ninety thousand on promotions, I think that's something that should be examined. And this was not only inpark, but we did promoting outside. During the periods where, historically, you don't have that large gate attendance, we would offer a free something with every pass purchased. And then after the people got there we had separate promotions. We would pass out coupons at the toll gate, \$1 off a family pizza, 50¢ off a family bucket of chicken, things of this nature. The results were just remarkable.

I think that this is something that you have to do. You can't operate on what historically has proven to be good. Yes, use that as a basis, but then expand from that. I think we are probably a pioneer in real inpark food promoting. It has been successful. Needless to say, I'm going to do a lot more of it this coming season. We are going to do our darndest to get as much per capita spending from our guests along with the basics, quality food, quality service, clean operations and so forth. And they all tie together; you can't have one without the other.

CHMN. EVANS: Thanks a lot. Gentlemen, I appreciate your thoughts and comments and willingness to participate. Ladies and gentlemen, we appreciate your attendance and your questions and a chance to serve you.

... The workshop adjourned at 11:30 a.m. ...

RETAIL WORKSHOP

SATURDAY, NOVEMBER 22, 1975

SOUTH BALLROOM

The Retail Workshop convened at 9:30 a.m., James Smith, Worlds of Fun, Kansas City, MO, presiding.

CHAIRMAN JAMES SMITH: Good morning, ladies and gentlemen, and welcome to our 1975 Retail Workshop. Our first speaker this morning is Mr. Don Miears from Cedar Point in Sandusky, Ohio.

"New Businesses for Established Shops in an Established Park"

by

Don Miears, Cedar Point, Sandusky, OH

MR. DON MIEARS: First of all, for the benefit of this talk we're

going to define new businesses as any business that produced volume sales and not inflated sales. As many of you know, if you continue to use the same product, one time each year that the price goes up from the wholesaler. The retail price is also raised to offset the cost price. So, therefore, you're getting an inflated price as far as I'm concerned.

New business as far as experience has told me in the past are such things as an additional sales outlet, different merchandising techniques, additional investment in inventory. You can take over a leased operation, or you can be receptive to new and different ideas.

Now, to point out each of these various areas that I am concerned with--I think that these basically apply to any park. It makes no difference the size or where it is.

And, just to give you some specifics that you can sort of get a feel of, I'm going to use an additional sales outlet, sales volume increase. In 1971 Cedar Point embarked on a cross-merchandising program. It was completely different from anything else that we had done. We built a new area of the park to do that and had several shops where crafts were; and then we sold at retail in those shops.

The total volume sales in 1971 were \$78,000 for those additional retail units. In 1972 we had doubled the 1971 figure. And by 1975 we have almost--we've done about five times the retail volume on the Frontier Trail that we had in 1971.

An additional sales outlet, number one. The first year as indicated by these numbers will probably be the lowest year as far as revenue producing. It's volume producing. The second should do a little better, and the third year should be fantastic as far as sales and meet all projections and sometimes even go over the projection that you had for it.

Different merchandising techniques. In 1970 Cedar Point was primarily operated by lease, and one shop had an open sales outlet where the merchandise was available. It was out where people could get hold of it. In 1971 the lessee planned to put all the merchandise behind the counter to slow down the pilferage rate in that shop. So, we continued with that program; the sales dropped from 1970 to 1971 from \$24,000. In 1972 we opened the shop back up, put it out where people could get hold of the merchandise, pick it up, take it to the cash register and buy it. Well, the sales went from \$103,000 in 1971 to \$142,000 in 1972. And, in 1975 the sales have gone to \$252,000 just in that one shop.

As far as an additional investment in inventory, each year we have a planned increase as far as our inventory is concerned. Not necessarily our year ending inventory. We try to maintain our year ending inventory at 20%, which allows us a five time turnover on our merchandise. And, we have pretty well followed that program. And, we've invested pretty much in merchandise that does give us a good return.

As far as I'm concerned, you have to be very careful when you take over a leased operation. First of all, you have to be sure that you can produce the same bottom figure that the lessee was producing for you. If the lessee is running an absentee management, then there's no doubt as to what you can do as good a job

if not a better job than what the lessee has. But, if the lessee is doing his own in-house work, if he's there, it's going to be very difficult for somebody to come in and do a lot better job.

Since we've taken over, the merchandise sales have grown from a million in 1970 to almost three million in 1975. As far as being receptive to new ideas, when I went to Cedar Point, the souvenir sales at that time were some 60% of the total gross of our volume. In 1975 the souvenir sales have dropped to 41.6% of the total sales. That includes jewelry in that figure. But, there have been other things that have come on and taken a more important aspect of the souvenir total volume or retail total volume. The crafts area has taken 12% of the total gross. Our hats take 16%, and the gifts take 6%. Plush animals take 6%, the T shirts take 7%, sundries, including cigarettes, film, etc. 5%, sunglasses 2.7%, and wheel chair rentals 1.7%.

Now, we use one form or another of these areas to try to beat inflation in the park. And, to me, volume sales is not inflated sales. I do know that if you try some of these and practice them, you'll see an increase in your volume sales.

CHMN SMITH: Our next speaker is Mr. Arthur Eldred from Clementon Lake Park in Clementon, New Jersey.

"Merchandising Souvenirs and Novelties in a Smaller Park"
by
Arthur Eldred, Clementon Lake Park, Clementon, NJ

MR. ARTHUR ELDRED: Thank you. Our total purchases are less than \$100,000; and he's talking about sales of over \$200,000 in one retail outlet. So, we are a smaller park. Our attendance roughly, to give you an idea, is about a quarter of a million people. We have 23 rides.

Even though we are a smaller park, a quarter of a million people is still a lot of people; and most retail stores would love to have a quarter of a million people go through their stores in one year. So, we do have a great opportunity for retail sales, which probably most of the smaller parks are not taking advantage of. Personally, I feel that our park is probably one of them. We don't do the job that we should do on our retail sales. We are trying. We are justifying increased investment in retail, increased retail areas, better displays; but we still find it difficult to justify to stockholders.

I'm going to basically cover two questions. One is how much do you spend on your retail area, how you determine it. And, secondly, what items to buy.

Well, in coming up with how much money we do spend in purchasing, we establish a budget. And, in this budget we also not only include what we anticipate will be our retail sales purchases; but we also include our game purchases. And, by combining the two we feel that we draw a greater purchasing power, therefore, getting a better price and offering our customer a better retail value in the sense that we will not have to mark up things as much.

Now, we do have a conflict in this sense that we do purchase some items that are both sold at our retail outlets and also given away in games. If you have a good item, we believe it should be spread out. If it's a good item in a game, it can be a good item

in a novelty stand. We don't see any conflict in this. Let's take advantage of it. We also look at games as merchandising too. It's really just a form of retail merchandising. You're giving a prize away for a certain price. So, we look at all this as one concept, as merchandising.

Basically, to determine what our budget is, we use four factors. Possibly the biggest is the first one--what were our sales last year? Did we achieve what we wanted to achieve? What were the results?

Second is park bookings. We're primarily a picnic park. Sixty percent of our revenue is derived directly from picnics that are booked. So, we're usually a little unique in that we can anticipate. We have so much business already booked. We can anticipate fairly well what kind of season we have coming up.

We also, number three, consider what inventory we have left over. And, four, which is probably the most difficult of all, is to anticipate what the economic climate will be. I think it's just about impossible to estimate what things are going to be a year from now. We have to take a conservative view, I feel; and we approach it in that vein.

We order in January; 75% of our purchases are done in January. We like to have everything delivered during the months of February, March and April, so that we have basically 75% of our stock in our warehouse, distributed to our games before our season opens. And, we usually open in the latter part of April. We feel that this is an advantage to us in the sense that we are able to get our stock put away, priced, indexed, everything is established, so when we begin operation, we don't run into a lot of problems as far as stock coming in and going out. This is a difficult thing in this sense for this last season that we did have a very rainy season in our particular area. We're located about 15 miles from Philadelphia on the New Jersey side, and the weather was poor. And, our sales did drop. And, because we had committed 75% of our budgeted amount, we were not able to cut back. So, it leaves you kind of vulnerable in this sense. It's one of the bad points about it.

We also try to attend both national and local trade and merchandise shows to get an idea of what merchandise is available, at what prices, what's new. It gives us a good feel for the market.

Now, trying to appraise this system, how successful we were at it--the last 10 years we were very successful. This year, 1975, we showed a decline, not so much our retail but our games area. So, I think we will not commit as much money as we have in the past, as much percentage. I think we'll probably cut that percentage down to about 60%.

My second question is basically what do you buy? Being a smaller park, we're a local park. We cater to the immediate area. We're not trying to project a national image. So, therefore, we carry very few souvenir items. We feel that a certain amount of souvenir items are necessary; and it's T shirts, post cards, maybe license plates. We do not like to tie too much of our money up into souvenir items. We feel that you should carry some, but a very limited amount. You do have to buy larger quantities, and we try to have the extra money available to offer a greater variety

to our customers.

We try very hard to have different items for different types of people, all age groups, male, female. We feel that this is very important to have not just one but several items in a particular area. Naturally, we do concentrate on particular areas. We are a family park; and we are catering to children from ages 3, 4, 5 up to 13, 14. We do carry some teenage items. Basically, we cater to the younger set, though we do carry a number of items for men and women. We try to vary them. We do not carry any off-color types that people would consider, quite frankly, dirty. We are a family park. We're trying to project the image of being the wholesome recreation center; and we feel that this may distract from this type image. There is good revenue derived from any of these items. We don't feel it's worth it. We think, if you offer a good variety, you can do without it.

Yes, we do buy some losers, too. There are so many wild things coming out constantly. You have to take a gamble. And, once in a while you're going to have a loser. But, we are fortunate that when we do get losers that we do have games. We'll throw them off on the games. Fish pond is an excellent way to get rid of losers.

We try to price our merchandise at a very reasonable mark-up. We feel that you can sell a lot more items at a reasonable rate than trying to gouge the customer. I think they're very alert to what a good price is; and you have to be very careful in your pricing.

Finally, if I had one thing to offer to the smaller parks it is that do try to increase your retail outlets, your display area. I think we're missing a great potential of our revenues. And, the one message that we can get back to our directors or stockholders is that expenditures in this area do justify the investment.

CHMN. SMITH: I would like to stop for just a moment and mention an area that a park should be involed in. This area that I'm making reference to is the open-to-buy, that which we have to commit for a product for a season; again, depending on what percentage we want to spend at what time. I have to believe that for many parks, who really have not taken a step yet to establish stock levels, to establish true sales projection and establish that which is traditionally called open-to-buy or what needs to be committed to carry us through a year and still come up with the 20% inventory or five times turn. And, if our parks have not taken this step I think that would be a very strong point that you might want to inquire in great detail with, with some of our panel members.

Our third speaker this morning is Mr. Terry Hilton from Busch's new themed park known as The Old Country located in Williamsburg, Virginia.

"Craft and Merchandising Mix"

by

Terry Hilton, The Old Country, Williamsburg, VA

MR. TERRY HILTON: Thank you, Jim. Good morning, ladies and gentlemen. I've been asked to speak today on the crafts and merchandising mix at Busch Garden in Williamsburg. As you know, it's a new park; and for that reason I've laid a map on some of the chairs;

and you may wish to take that with you.

We have three distinct areas in the park, actually, England, France and Germany, which are on the map as Banberry Cross, Aquitaine and Rhienfeld. In England we have five shops with one craft shop. In Scotland we have one. The smaller areas are Scotland, Hastings and New France, Trapper's Village. In France we have an artist theme which some people would consider a craft. In the Trapper's Village we have three or four stores, and they're all craft oriented. In Germany we have one store, and we have a cut glass craft in there. It's a German store. It's a very fine gift shop.

We chose the crafts that we chose for three or four reasons. Number one, because we're a neighbor of Colonial Williamsburg. So, we had to kind of stay away from duplicating what they've done for two reasons; because they wanted us to and, second, because we wanted to.

We chose our crafts after consideration of Colonial Williamsburg first of all in show value or entertainment value to the customer. We have a good entertainment program in our park; but we also feel like in merchandising if we can offer them something that will hold their attention and get them in the store that we can do a better job of selling it to them. Of course, we also look at the profit picture on each craft.

Another thing we have to consider is availability of craftsmen. It's not real easy to go out and hire a craftsman. You do not just find them; or find them the way you want them, because some of them don't meet the standards of the park. Some of them don't want to work all the time. They don't want to meet a schedule, and they don't want to work seasonally. That was one of the biggest problems.

Another reason that we chose our crafts was based on customer appeal. This year we chose mostly crafts that are oriented toward women. It's an unfortunate thing; and we're going to change it for next year, because men, I think, need some equal rights too.

We really have six crafts that I would consider crafts. We have a heraldry shop which is in England. It's actually a company formed in London. And, they'll research your name on site and give you a coat of arms. Then, if you like it and want to get it into a shield, they'll make you up a plaque, you know, that tells you the history of your family name and everything.

In Scotland we have a leather shop. And, I guess this is a good place to talk about lessees. We do have one lessee in the park--the balloon man. And, we actually probably wouldn't have two of our crafts if it hadn't been for him. When I came, we already had a budget. We already had our shops picked out. We did not have any money for crafts. But, everybody in St. Louis wanted us to have crafts, so we had to go to the outside and find someone who was willing to invest the time and the money in putting up two new stores for us in locations which we chose. Total investment was on their part; and then, of course, we worked out an arrangement. The leather shop is in the Scotch area. It's called Stable Works. It's near the Clydesdale Stables. And, we did very well with that this year.

The rest of the crafts are located in the Trapper's Village

section, which is a log cabin section. We kind of felt like the log cabins lend themselves to crafts, because supposedly it's an old time thing and kind of reaching to nostalgia a little bit.

We have the tin type shop, which is the same tin type program some of you may know. Polaroid has come out with two or three processes; but I think the fact that you're really getting a picture on a metal plate plus the fact that the people get to get into a costume and actually take the role of someone 50 or 100 years ago or whatever the theme you choose makes a big difference. They enjoy getting their picture made that way. You can give them a rifle or a coonskin cap if they're an Indian or a Daniel Boone type or something.

The silversmith is another shop that was built by the lessee. And, this is a shop that is about 2/3 silversmith; and we have the leather worker in the corner to supplement the stable worker workshop. In some of these shops the amount of the sales that we get from the craft itself is very important when you decide to go into a craft, because you have to decide in your own mind whether or not you want to have a store that's all craft and all handmade products or if you want to have a craftsman and they sell all they can make; and then you have related products that also sell.

In the case of the tin type shop 90% of the sales in that store are based on the tin types only. We also sell film and frames and a few related products. But, basically it is the tin type they're buying in that store. In the silversmith shop I think only 15% of the sales are directly from the craftsman. This is a good shop. It was supported by the other regular rings and merchandise you're all familiar with.

We had a candle shop. In our candle shop we have what we call a critter dipper. It counted for 15% of our sales in that shop this year. We have a big dipping tank that has eight vats in it. So, we think customer involvement is a big deal for crafts. So, we built this vat, and the people come up, and they take these, and they can dip them in whatever colors they want to. And we charge 50¢ for this. The people feel like they're making something. I guess that's the best way to put it. They feel like they're actually being a craftsman themselves. It's unique, and each person has their own souvenir. It's not a real souvenir. It doesn't say, "Busch Gardens," on it; but it is a souvenir. In that shop we also have a lathe operation, which is similar to a wood lathe. Then, we have another dipping operation where we make the critters. We have just like a barrel tank. And, we have a wrought iron deal that we hang the strings on; then we dip it numerous times to make each critter.

Our last craft is the glass cutting craft. This is a very highly skilled craft, probably our best one. It's in the German store, because it's originally a European idea. It comes from Rumania, Czechoslovakia, those countries. In this shop it accounted for 17 1/2% of the sales realized by the craft contribution to the total store sales. However, it only takes up about 20% of the store. So, it has a pretty good impact. The space actually required for the craft is not but 10 feet across by four feet where the craftsman actually works; and the rest of it is display. Most of the products he sells, like 70% of the sales in the craft, are monogrammed products. You know, you can come in and say, "My initials are J.R.D.;" and they will cut them right there on the glass for you or wine set or whatever you choose. The beer mug was the best item.

We're going to have some new ones next year, quite a few more. We have a pipe shop coming in. We're going to have a pipe carver, a broom maker, probably a soap making operation and a waxsmith. So, I think that our experience was that we got a good result from the crafts this year. And, it seems like the people who visited Busch Gardens enjoyed them also.

There are some things that I would like to mention to you, if you are considering going into crafts, that you should definitely take into consideration. First of all, I think you have to decide if you want to do it for profit or entertainment. As I said, we like the entertainment value; and then make our money out of the related sales. But, if you're going into it for profit, there are three or four things I need to mention.

Number one, most crafts have a super high labor cost. Labor usually runs between 15% and 20% at least; sometimes more than that. And, that's because usually when you hire a craftsman, if you get the kind you want, they have to be skilled. And, you just can't hire the same type person you would hire as a clerk and do a very good job. You also have to consider if you want to go into real production facilities. I think the only real profit is doing this on a massive basis. Also, if you're going to have your craftsmen working all winter; and let's say they can make more than your actual sales are, then you have to find an outside outlet to retail these products or wholesale these products. Another thing you have to consider for production is that if they make too much, then you may have to do that anyway whether you're in a winter time operation or not. Most crafts I think people will buy as much as they can make, because they like to see it being made. In the case of pottery or others you can't do that.

The other aspect of crafts is the entertainment, the demonstration. That's the part that really gets into the fun part of it, because your craftsman's up there. And, if he's the jovial kind of guy you want him to be, he's all the time talking to your people. He's keeping them happy. He's explaining what he's doing while he's doing it. And, he makes them feel like they're a part of it, even if they're only watching. Many times they have questions. They want to find out the answers. Maybe they think they can do it themselves. You wouldn't believe the number of people who come and see something that you're doing as a craft in the park; and they think they can do it at home. So, they won't buy the item right then. You do lose in sales because of that.

One thing about the demonstration, depending on the entertainment level in your park, if you do a real good job on your general manager, you might be able to talk him into paying some of this out of the entertainment budget, because it is entertaining. Another thing about the demo is once the people are in the store they won't just watch the demonstration and leave. Many times, especially depending on how you make your demonstration in the store; but you can keep them in the store. They'll look at all the other merchandise.

That's another point you want to decide, how much of the merchandise you want to be handmade. You just have to consider your own circumstance and decide which way you want to go.

Another thing you want to consider is the type of people you hire. Craftsmen are really a unique breed. And, you can get some of them that can get so involved in their work that they don't even

want to talk to the people; and you can't really have that. Another thing is they're very tempermental. They have to do when they want to. The only problem is they have to do it when you're open and when you've got people there. So, you have to consider the possibility of having them there all day or having them there during the peak hours only and make sure the public understands that. If you don't have a sign saying when they are demonstrating, then I think the guests expect you to have it continuous.

Another thing you have to worry about with a craftsman is the amount of supervision you give him. One day it might be real tight, and the next day it may be very loose. If you get into it in a big way, you have really to consider your supervision. I think any time you have a demonstration, if it's not going well, your sales are going to go down, like maybe 50%. So, you have to keep that in mind; and you have to go in and watch these craftsmen every now and then just to see how they're doing.

You have to decide if you want to break even on the craft itself or if you want to try to make your money on the rest of the things. As I said, we basically went toward the idea that we'd make money on related sales and break even or make some money if we could on the crafts. We did not break down the sales in the stores in most cases, whether or not it was a crafts sale or a regular sale.

The final thing you have to consider on crafts is the authenticity and the theming. A craft basically means a handmade item. If you start getting into automated production, you lose it. So you have to decide which way you want to go and what kind of impression you're trying to make on the people. The theming of the craft is basically what fits in to your overall merchandising plan.

In summary I guess the things that I basically wanted to cover and make sure you understand is when you're choosing crafts for a park, you have to try to understand the show value and the entertainment. Think where you want to be on a scale of 1 to 10 when you're giving show value.

The second thing, of course, you have to consider is profit. And, the third thing is the availability of craftsmen. It's not easy to find craftsmen. Don't run an ad in the paper. Go out and hunt in the back woods or go to Gatlinburg. Go back in the mountains somewhere and find them, because they are around.

So, before you make a final decision on which craft, you have to decide how much you're going to pay these people. They really give you some hard times when it comes to money. They want a contract; or they want a 12 month guarantee; or they want you to buy their products in the off season. But, they make all kinds of deals that they'll throw at you, so you have to be ready for it.

Crafts are becoming more popular everywhere. So, you might want to consider it, if you're opening a new park. They've done a good job for us. As I said, we're adding more next year. And, I think they'll continue doing a good job.

CHMN. SMITH: Our next speaker, Mr. Buck Shaw from United Security Associates, Incorporated, located here in Atlanta, Georgia, will cover an area that we all have to face. It shows up on our profit dollars. It's commonly known as our shortage, shoplifting and pilfering problem.

Mr. Shaw was a principal of Price and Shaw, Incorporated, a security and consulting firm, and is currently president of United Security Associates, Incorporated, made up of four former FBI agents. He's a member of the Society of the FBI Agents and past president of the Georgia Chapter. I would like to introduce Mr. Buck Shaw.

"Apprehension and Prosecution of Shoplifters and
Safety Rules for you to Follow"

by

Buck Shaw, United Security Associates, Inc., Atlanta, GA

MR. BUCK SHAW: We can't talk about shoplifting until you know what shoplifting is. In any state in the nation shoplifting is a crime. It is not a lark. It is not something, a dare or anything else. It is a crime. It affects you.

Over 60% of the shoplifters in the United States are under the age of 21. Your teenagers are all out there by themselves, and they're stealing from you.

Basically, the Georgia law says, "a person commits theft by taking when he unlawfully takes or being in unlawful possession thereof or unlawfully appropriates any property of another with the intention of depriving him of said property, regardless of the manner in which said property is taken or appropriated." Then, our statute goes on and sets out some specifics, such as, "removes any merchandise from the immediate place of display, conceals any such merchandise, alters any label or marking of any such merchandise, interchanges the label or price tag from one item of merchandise, transfers any such merchandise from the container in which it may be displayed to any other container with the intent to appropriate such merchandise to his own use."

Now, basically, what does all that legal gobbly-gook mean? It means very simply--and I don't care what state you're from or what city you operate in or anything else--shoplifting is a crime. And, it's based on two elements. You must have a taking; and you must have intent to deprive the rightful owner of the use of that property.

Now, the taking is a very simple thing. You can see it taken. Proving intent is where you get caught up. Intent is a jury question. Can you prove intent?

Preventing shoplifting is one of the biggest things that you can do as a merchant; and that's where you save your money. If you get in the catching business, you're going to spend a lot of time tying up a lot of people; and you're going to lose a lot of dollars by court time. So, we want to prevent it.

The best way you can prevent it is to put this shoplifting part on your training program with your employees. I would venture to say that there's very few parks here who ever mention in training certain do's and don'ts concerning shoplifting to their employees. Now, you teach them how to run a cash register. You teach them how to merchandise. You teach them how to run all phases of your park. And, then you say, "Well, we don't have time to go over the shoplifting part." I'm telling you here this morning that you can't afford not to, because these young kids that you employ in these parks--they see it on t.v. They get over zealous. They get emotional. They get tired of people ripping off their products.

And, they're going to grab somebody and make a false arrest. It's going to cost you an awful lot of money, plus a lot of embarrassment and a lot of bad publicity.

So, put it in there. Basically, you need to take about a one page memorandum and put it in your policy book as to who may and who may not stop people concerning shoplifting. You need to hold those meetings and advise them that there are certain things that they do and certain things that they will not do. And, you've got to make certain that lower echelon personnel cannot arrest for shoplifting or stop people. You're going to have bad arrests. So, when you put these do's and don'ts down, make sure they know certain things to look for.

Now, if you're going to put out your expensive merchandise where it can be ripped off, it's going to be ripped off. There has to be a happy medium between protection of certain level items. Items that are valued at X number of dollars should be secured. Items that are not should be open. If you let them handle and move all this, you're going to take some lickings on it. There is just no way that you can completely open everything up.

The other thing is when you open up these shops, where you locate that cash register should be an important part of this, because it should have some observation points as to the whole shop. At your low peak times when you don't have the traffic and you have lower help, then that register that's operated should be the one that has the view of the most area.

This is the biggest thing--a well trained clerk is the biggest deterrent to shoplifting of anything you can do out there. There are all kinds of mechanical devices and everything; but you have got to train these people to be alert, to wait on the customers and to be out where they can be seen, and don't be afraid to ask if they can help you.

The mechanical devices I was talking about, you should be looking into if you are not using them; and that is your closed circuit t.v. You've got sequence cameras. You have alarms if you've got garments. You want to protect this merchandise. Don't underestimate the fact that the American citizen is more aware of shoplifting today than they've ever been. Every place Mrs. Housewife goes and every place the teenager goes, they see closed circuit t.v. They see sensormatic devices on the items; that is sensing when the alarm rings if you go through the area. If I had a small shop that had that type of merchandise, I would seriously look into that. It's a tagging device removed at the register. And, when you pass through an area, it will ring an alarm just to alert to go back; the inventory control tag has not been removed. But, you're foolish if you don't look to these things, if you've got a particular problem with high ticket items.

Lighting in an area--and this goes with a lot of the shops that I've seen. When you get into some of these areas, you've got them so dark and so cramped up in areas that you've got a lot of blind spots in it. You can keep with the decorum. You can utilize mirrors. And, I don't think you need to utilize the big circular mirrors. I think you can have mirrors made any way you want them. And, they can go right into the decorum of your shop and give you a better view of the whole operation. But, if you don't use these things and check on them, you're missing a big thing.

Now, one other thing, you need to post all areas, especially

in your shops, where it's for employees only in the back areas and your stock areas. Because, the kids will get back there and rip you off good. And, they'll grab stuff and run out of your stock areas. So, all of these areas need to be posted. Now, the reason they need to be posted--and this is another statute you need to look up when you get home--is the trespass statute. If you're not familiar with it, you need to check. It just so happens in Georgia that we have a very outstanding one that if we have a continuous problem with the same individuals, just say, "I want you to leave." And, if he doesn't leave, you lock him up for trespassing. And, it breaks up a lot of this gang stuff of coming in and running rampant through your area where you don't have time to spend watching those people. So, you can utilize that particular phase of it. You need to know that statute for your state.

There are five musts if you're going to apprehend a shoplifter. Here are the five things that you take back with you if you are going to make an apprehension. One is you must see them take the merchandise. Two, you must know where the merchandise is concealed. Three, you must keep them under constant observation the remainder of the time they're in your store or the shop. Four, you must give them ample opportunity to pay for the merchandise. And, five, you must be absolutely positive that they did not pay for it. Now, if you have five of those things met, you have a good case that will hold up in any court in this country.

Now, if you are going to prosecute, the other rule is the kind of person that you think the shoplifter is will dictate how you approach that individual. If it's a professional type shoplifter, you're going to take a different approach than if it's just an average person. If you've got a 75 year old grandmother that's in your park and she has taken a 25¢ item or \$1.25 item, a comb or an ashtray and put in her purse, then you're going to say, "Excuse me, but I believe you have an item that hasn't been rung up yet."

All right, now, at this point if it's a hood type, you've got to say, "You're under arrest for shoplifting." I mean, you've got to make charges. If you don't, this guy is going to break out and yell and fight and create a scene. He's going to embarrass you and everything else. But, he's got one thing in mind; and that's getting out of there without going to jail. So, the professional has to be approached on an entirely different level.

The other problem is what do you do with this shoplifter after you've caught him? It is a problem. If you're going to make apprehensions, then you've got to have a place to put them. But, don't be afraid to make apprehensions.

Secondly, always recover the stolen merchandise at the time you make the arrest. In other words, when you say, "Excuse me, but I believe you've got something," if you're going to arrest the person, at that point take the item. If it's under the coat, you get it. If it's in the purse, you take the purse. If it's in the shopping bag, you take the shopping bag. If it's in the baby's stroller, on the baby, under the blankets, you get the merchandise at that point, because that's where they hide it. And, the reason you do it is so when you take them back to the office or where you're going to interview them and you get back there and they've ditched the merchandise on you, you have a very melancholy situation, because you have no property. You can't show that you had an item stolen, that they got it. So, you want to

get it and take it with you.

If possible, have a second person interview the subject after that, so they know that nobody bribed him in any way, shape or form. And, always record the statements made at the time the apprehension is made. If a lady says, "Oh, my god, this is the first time I ever did this," remember that statement, write it down, date it, and put it with your evidence, because that's a declaration against interest at the time of arrest. It's admissible in a court of law to show intent, that they intended to take the merchandise. So, this is a declaration. If they say, "I don't know why I did this," or, "I didn't need to do this," that's a declaration of their intent. It's called in terms of the court a declaration against interest; and it's made under a time of emotional stress and believed to be a true statement. That's the reason it's admissible. Record that and put it with your notes.

If you have a female shoplifter, you'd better have another female present at the time you interview her. And, if you return the evidence--and, this is a big problem in a lot of jurisdictions is you have to have an evidence locker to lock up and keep your evidence. Date it, initial it; if it has to go into a box, put the name of the individual, the subject on there, the date that it happened, your name and initials and seal it and keep it till court.

I've got two rules to keep in mind so you won't have trouble with the shoplifting. And, I used to have these printed up and had them all in the security manager's offices. If you didn't see it happen, it didn't happen. Don't ever take the word of somebody else. If somebody were to come up and say, "I just saw that lady put a \$5 ring in her purse," if you didn't see it happen, it didn't happen, because what people think they see, often times they do not see; and you're getting ready to go after a \$5 item that may cost you \$50,000 if it's not in there. So, if you didn't see it happen, it didn't happen.

And, the other thing is if in doubt, let them out. If you've got any doubt about it at all--I don't care if it's a \$1,500 fur coat, if you're in doubt as to whether or not they've got it, then you let them on out of the store. Otherwise, you're going to have problems.

And, I thank you very much.

CHMN. SMITH: Our next speaker is Mr. Arnold Blenner. Currently Mr. Blenner is with Dan Brechner and Company as divisional sales manager.

"Protect Your Profit Dollars"

by

Arnold M. Blenner, Dan Brechner & Company, New York, NY

MR. ARNOLD M. BLENNER: Good morning. We're going to talk today and discuss security in the retail operations at your parks and attractions; and hopefully we can provide a little different slant or a little different insight than you've had in the past on some of the common problems.

First of all, I'd like to get into some of the staggering statistics of shortage. Each year retail operations throughout the country lose between 2.8 and 3.5% of their gross sales or in-

take due to shortage. And, this amounts to roughly \$2 billion per year. It's a lot of money.

From that shortage, we're going to break down how it occurs and where it occurs. And, this will probably surprise you. These are national statistics. They're applicable to all operations; and there are few, if no, exceptions. One out of every four of your employees steals from your operation. That's four-fifth or 80% of all shortage comes about as a result of employee dishonesty and/or inefficiency.

During the past ten years there has been a 32% rise in employee theft. And, it's at the point now where it's \$5,000,000 a day. The other 20% of shortage is attributable to customer theft. And, approximately one out of every twelve of your customers steals from your operations.

It's suggested that as far as your retail shops you keep your books with retail dollar figures. You keep your physical inventory reflecting a retail dollar figure. Now, the difference between the retail dollar figure that you're carrying on your books and the retail dollar figure that you establish when you take the physical inventory, of course, is your retail dollar shortage. Simply, what you do have and what you should have--what's in between represents the shortage.

Now, to determine the percent of shortage you divide your gross sales or intake for the period of time in question into that dollar amount of shortage that represents the amount between what you should have and what you do have; again, your gross sales into the dollar amount of shortage gives you the percentage.

As far as broken, damaged and defective merchandise, it's recommended that lists be maintained by quantity, category and retail dollar value in a back room or storage area. And, when you want to determine the percentage of shortage in those categories, you do the same thing as you do when you're determining your total amount of shortage. You divide your gross sales for the period of time in question into each specific category: damaged, broken and defective to give you a shortage percentage. That way you have a good idea of exactly where your shortage is, and you're able to determine what's causing it.

It's important that your retail dollar book inventory be reduced through mark downs and through the elimination of broken, damaged and defective merchandise once you've gotten credit from the truckers or vendors or whomever you seek to get credit from. And, of course, that merchandise which you cannot get credit for and that dollar figure should be deducted from your retail dollar book inventory.

I'd like to talk a little bit about where it all begins. And, this is a significant approach to the total problem. It begins in the interviewing and hiring situation. And, I think it's important that we recognize that we have the most qualified, most professional and most experienced person doing our interviewing. An interview should last no less than 15 minutes and certainly more if possible, whether it's for an hourly clerk that's going to do a menial task or whether it's for someone who is going to perform a more important function. It's recommended that a standard format be used. Something that is concise; something that is consistent; something that will be generally applicable where a profes-

sional interviewer can find out the hot spots of a potential candidate and determine whether or not he's qualified for employment. Variations to this standard format, of course, can be made based on the candidate's responses. But, it's important that there's some standardization in the interviewing process that, again, hopefully is being done by a qualified individual. I suggest that The Evaluation Interview by Richard Fear, which is a McGraw-Hill publication, is probably the most sophisticated piece of material put out on the entire retailing, entire interviewing situation and would be very helpful to you and your people that are involved with hiring personnel. I think that you'd be surprised to learn that after a hiring decision has been made, if you consider pre-employment testing such as the Stanton Psychological Survey which comes out of Chicago and costs less than \$10 a survey to administer, you'll find that an additional 1% to 20% of your potential hirees are eliminated after administering the survey once the decision has been made to hire. It's incredible. Just goes to prove that our best judgment in making hiring decisions is not always correct.

As far as management goes, I do suggest that wherever and whenever possible polygraph tests be administered. Polygraph is a simple test. Initially, it takes about an hour to administer. Costs approximately \$50 per test. Of course, there aren't that many that you have to administer it to. And a professional polygrapher can poly about eight people a day during a normal work schedule.

Commencement of employment by anybody, whether it be an hourly clerk or member of supervision, should be contingent upon a police department check, a credit check and bonding. These are important factors. Now, everything we're discussing is aimed at reducing your potential liability due to shortage, and it's a basic sound approach.

Good security doesn't have to be expensive security. Perhaps many of you are using most or all of the things that I'm mentioning; and perhaps you would want to extract some of the things I'm mentioning to use in your particular operations. If you do, I'd like to emphasize again that it doesn't necessarily have to be expensive.

Now, once a person is brought on board I think it's important that all policies, practices, and procedures be very clearly and specifically outlined for that person. We should try to eliminate the possibility of any misunderstanding or misinterpretation on the part of that new employee. It's important to introduce the person to personnel, to your operation, regardless how small or large it is, and explain every aspect of the operation to the new employee. It's also important to define his job functions and specific job responsibilities. Identify for him acceptable and unacceptable procedures. Show him where his personal belongings should be kept. These are all things that are indirectly related to potential shortage.

Management's responsibility is to create employee awareness by being clear, concise and consistent at all times with all of their employees. The employee work schedule and break periods should be adhered to. That's a form of discipline. It has to do with shortage. And, again management should take special pains to reinforce practices and procedures on as regular a basis as practical.

Now, just a few words on internal security. We recommend the perpetual inventory. Again, it doesn't have to be expensive. It can be taken every week, every month, every quarter or whenever you're able to take it. But, it certainly enables you to identify quickly when you have a problem and then track down where you have the problem. It's recommended that you keep your inventory levels, your stock levels in your stores at an optimum level or optimum amount. You should have moderate but sufficient stock on hand, sufficient for sales, but not too much so that you don't have an excessive amount of breakage, damaged and destroyed merchandise.

As Buck alluded to earlier, small expensive merchandise should always be locked in security cases. Small moderately-priced merchandise should be kept toward the front of your operation, hopefully in full view of whether it's one cashier, two cashiers or five employees or however many employees you have. I think it's also important to place signs around your shop asking the customers not to handle the merchandise. This has a positive psychological effect. The internal doors should be kept locked, and your stockrooms and storage areas should be labeled, neat and clean. This reduces your shortage and also has a psychological effect on your employees that is very positive.

Receiving should be done through one door, one shipment at a time, with no truckers allowed to go beyond the receiving door or enter through the receiving doors. The merchandise should be cartoned, counted and checked off as it comes in. The paperwork should be completed at the time a shipment is received and claims should be filed at the time a shipment is received. Clear and accurate marking of merchandise is a necessity. Employees should not be allowed to engage in guess work of any type. Trash should be removed on as regular a basis as possible. I think you'd be surprised to learn that trash is a tremendous potential source of shortage. Employees put a variety of merchandise in trash in many operations and are able to get it out that way.

Mark-downs should be taken as they occur; and the destroyed merchandise thrown out, so that your retail dollar book inventory can be adjusted and reflect accurate inventory figures.

We'll just get into cash control briefly. We recommend that daily deposits be made of all cash and audits be taken daily of your safes. Usually, a \$50 cash bag is sufficient for your cashiers, who hopefully again are well trained by a professional. Cashiers should sign in and sign out for the cash bags every day. They should be given a beginning reading and an ending reading. And, they should be responsible for the total monies that they take in during the course of any business day. Errors that occur should be verified by management. At the end of the day the cashier should count the cash in a specified area. During the day, management should make cash pickups from the register to insure that there is not too much money on hand in case the register is robbed. Each register should have a detail tape and a receipt tape; a receipt tape to be given to each customer to reflect the consummation of the sale and a detail tape that will accurately record every transaction on that register so that management can scrutinize the activity of that cashier at the end of any given day and determine if there are any irregularities. Each cashier should have their own cash bag. And, if it becomes necessary to change cashiers, be it for a break or lunch or whatever, that bag should be changed. That will reduce your potential liability. Cash drawers should be locked when not in use. Cashiers should

not be allowed to correct their own voids. They shouldn't be allowed to give change at registers. It's also recommended that spot checks of registers be made by management or professional shoppers when practical used to shop each cashier whether it's one or six to determine if they are ringing their sales accurately and following procedure. It's the cashier's responsibility to open and check anything that is not sealed, and this should be stressed to your people. Employee purchases should be made through a particular register at a designated time. And, if the employee is not leaving the store, their purchase should be kept in a designated area until they do leave the store. And, their parcels should be checked prior to their leaving the physical premise.

It's important to stress that training and meetings are necessary to reinforce cash register and cash procedure.

I'd just like to get into employee theft and shoplifting deterrents, which I think are important, at this point. It's management's responsibility to be aware of the climate within their operation regardless of how small or how large; that means employee morale. The causes of employee theft are need and opportunity, usually coupled with a hostility toward management. I'll repeat that because it's important. The causes of employee theft are need and opportunity, usually coupled with a hostility toward management. There are other reasons that are significant which I'll mention: temptation, ease, neglect and poor discipline.

Management has the responsibility for eliminating temptation: to get tough and stay tough. Now, that's possible to do without becoming insensitive. It just means running a tight ship, being well organized, planning properly and executing efficiently.

They say there are about 415 basic ways of stealing. But, surprisingly enough all of them can be controlled with proper security procedures. Also, the average term before employee theft occurs is three years. That's a long time. Which means that a lot of the people that have worked for you for a number of years are potential sources of liability, even though it's not a pleasant thought.

It's also your responsibility as management, once you have ascertained that there are people in your employee who are stealing from you, one or more, to make no exceptions or value judgments. That is strictly the responsibility of the court. And, where many people in many operations run into trouble is when they attempt to be the court and fill the court's functions. It's important that employees be made aware of existing controls, so there's no question at any time of what the controls are and what the penalty will be for not following these controls.

Without going into a lot of explanation, I'll mention a few other things that are used in control; some of which might be applicable to your operation; some of which might not be because of costs. The polygraph, bonding, telephone security, which means periodic monitoring of telephones--a little distasteful but very effective--intercom security, entailing intercoms or an intercom on at a particular area of your operation, time locks and burglar alarms, key locks for the signing in and signing out of any key for any locked door, cash locks, the signing in and signing out of cash, parcel checking of employee purchasing against the detail tape before they leave the store. And, of course, it's important that management circulate on a nonscheduled basis, management and

supervision, among the employees when they can. This is important for control. Some additional deterrents are uniformed guards, two-way mirrors which have a great psychological effect, security mirrors which enable you to see when you have a limited number of employees in all areas of your shop. Perhaps in a larger operation closed circuit t.v.; and, of course, signs warning that shoplifters will be prosecuted are extremely important regardless of the size of the shop. Plain clothes detectives, turnstiles, one exit and one entrance where possible, is a key factor in controlling shortage.

Again, a point to emphasize that I'd like to stress: prosecution should be without exception. That is a great deterrent, the greatest. The best way to protect yourself against potential theft by employees is by having loyal, well-trained, well-disciplined and well-informed employees. And, this type of employee can exist with the proper approach by management. So, just to try and sum up what we've said, money and merchandise stolen represents lost net profits to you. And, it doesn't necessarily have to exist to the extent that it does. With some good planning and the proper security or the proper approach to security in your respective operations you can eliminate a great deal of this shortage and a great deal of your potential liability. Thank you.

CHMN. SMITH: This now concludes our speaker portion of our workshop. At this time do we have any questions of our panel?

A VOICE: The question I'd like to ask, we have a restaurant and on occasion we've seen people take silverware from the table and put them in their pocketbook. Invariably, we put the price of the item on the check and say nothing to the customer. Could this work against me?

MR. BUCK SHAW: The question as I understand you, you own a restaurant; and you have clientele that from time to time take silverware and put it in their purse; and you're adding the cost of the silverware to the check and saying nothing; and they're paying for it. Is that correct?

A VOICE: Sometimes they do, and sometimes they don't. If they look at the item and pay for it, well, good. If they don't--well, sometimes we have on occasion--

MR. BUCK SHAW: I would say that your only problem in all seriousness is when you have a confrontation that somebody notices it, and they bring this up. Then, you've got to be prepared to get your silverware back. All right? And, to know that it's there and that they've got it. You're not on good grounds in what you are doing. Okay?

A VOICE: That's what I'm trying to find out.

MR. BUCK SHAW: They could come back at you. But, I never kick a dying dog. If it's working for you, I would say "Go on." The only place that I see that you're going to have a problem is when you have a confrontation over that type of thing. And, somebody refuses to pay for it. Then your decision is what you're going to do next. And, my thinking is either, "I'm going to get my silverware back; and you're going to jail." It's that simple.

A VOICE: Right. We have another occasion too where sometimes we see them take small items; and when they come to pay, we short-

change them. Is there anything wrong with that?

MR. BUCK SHAW: Yes, I think that you're really rationalizing your problem. I think what you're trying to do is not to directly face your problem. And, you need to confront them.

A VOICE: We've found they're so anxious to get away that they do not count their change.

MR. BUCK SHAW: I think you're opening yourself up for fraud and bad publicity in the whole thing. As long as you get away with it, fine. But, I think my personal approach to that is I wouldn't operate that way.

A VOICE: We've seen them put merchandise in their car too. And, at times we go to the car and take the merchandise back again. Is there anything wrong with that?

MR. BUCK SHAW: Now, on that there is nothing wrong. It's your merchandise, and you know it's in that car. If you break in that car, you're wrong. What you need to do is get hold of them and take them out to the car and get the merchandise. Then, lock them up right at that point.

You're avoiding the whole problem by making a lot of gimmicks. What you need to do is confront it and go ahead with the thing. I think you've either got to accept your loss, because sooner or later you're going to get burnt on it. And, with all the silverware that you've charged for, you're going to end up paying about three times for it on one case. It only takes one.

A VOICE: I see. We've never had any trouble yet.

MR. BUCK SHAW: You will. You're cruising for a bruising.

A VOICE: We have a golf driving range. And, this guy was hitting balls; and so on some of them he would throw them to his friends; and they would put them in the car. Of course, when they went to the restaurant to eat, they came back and couldn't find the balls. Of course, we saw them stealing. We figured that taking the balls back was better than having them arrested.

MR. BUCK SHAW: There's no doubt that you don't have to lock up everybody. But, you need to put them in the situation of being potentially locked up. Okay, they need to be confronted. You're playing a game with them is the way I see it. And, the game's going to go on, because all they would do is go on and see if they can outwit you because you never lock them up. You're encouraging them to come back and continue from what I see and from what you've told me of your problem.

You know, and it's how many golf balls can we get. Because, if you catch me, you're not going to put me in jail. I'll just give you the golf balls back. But, if I get away with it, I've made out. This is what you've set up.

One other thing while I'm up here I'd like to mention to all of you that you need to check with your legal counsel or our representatives in your various states. But, there is some pending legislation concerning this right of privacy because of Watergate. In my opinion the Congress is starting to over react; and they are presently now passing laws; and the LEAA, Law Enforcement Assistance Administration, who has furnished money to local police departments

is now setting forth regulations where it could be possible that the police department will no longer be able to furnish non-criminal justice system people records. That means that you will not be able to check the criminal records on employees that go to work for you. You need to go back and check with your representatives and get on top.

There's a bill also presently being introduced in the Senate, Senate Bill 2008, House Bill 1564, which will eliminate polygraph altogether; and you will not have that thing. So, you need to check.

A VOICE: I would like to ask the last speaker, he was mentioning items like employee shortage. I want to know if there's any relation between the treatment of employees, such as giving them discounts, and the theft rate. If the employer charges almost full price for something, does that increase the theft rate or not?

MR. ARNOLD BLENNER: I don't think I can give you a specific on that. But, I can on something else that I mentioned that I think is even more important. Employee morale is most related to shortage and pilferage by employees. If the morale is high in any given operation, regardless of type or size, and it's kept high through astute management, then you're going to find that your shortage percentage is much less. If your morale is low, your shortage percentage will be much higher without exception.

A VOICE: You said after three years that the rate of increase of the three year employee and over is greater. Do you attest that maybe to the employee feeling like he's gotten to a dead end in the company and it's looking past him or something like that, or just that he knows the system and feels he can beat it?

MR. ARNOLD BLENNER: I think it's a combination of both. That's a good point. You take your own thinking at various times in your own life. On any given day you become frustrated with your personal situation and your job environment or what have you; and you want to strike out at something. Well, on the same basis if an employee is unhappy and doesn't receive proper incentive, and that could be a combination of rate increases or increments or whatever types of incentives you have for them to make their job and their living a little more worthwhile--if an employee doesn't have this type of situation, they're more likely to steal than if they do have that type of situation. And, usually management after a period of time has a tendency to neglect their long-term employees and place their emphasis on satisfying their newer employees, who usually come in with more progressive ideas and seemingly more needs than the older employees.

A VOICE: One thing on the polygraphs, if you ever administered and people refused to take it because they feel it's violating their constitutional rights, would you have a lawsuit if you fired them?

MR. ARNOLD BLENNER: That's a good point too. In most states the polygraph is not admissible as evidence. That's correct, Buck, isn't it?

MR. BUCK SHAW: Yes, but nobody has to take it.

MR. ARNOLD BLENNER: Taking the polygraph is strictly a voluntary situation on the part of the person that you want to administer it to. Of course, if a person refuses to take a polygraph once you

have explained the reasons for your wanting him to take it, there is a darn good chance that there's some problem there. And, then there are other methods that you can use to attempt to ascertain what that problem is.

MR. BUCK SHAW: You can't discharge him for not taking it.

MR. ARNOLD BLENNER: Right, you can't terminate a person's employment for his refusal to take the polygraph. You have to find another valid reason, if there is a problem.

CHMN. SMITH: Before I take the next question, one thing about our park in response to what you asked about morale and employees and should they be given discounts. I'm on the verge of trying to write a policy regarding what employees deserve in regard to purchasing merchandise discounts, how do you control it? Each park is going to have its own inherent problems. I think one thing all retailers have to face is what wage the park pays. I think this is probably directly related to morale at some point. Newly hires are going to come on very strong. And, as employment progresses salaries could become a factor. Many parks are having to analyze what minimum wage would mean to us and what wage level we're going to offer our people. I think this would be a factor. I think paying under a certain level can be offset very quickly by theft. It doesn't take much to make up for 40¢ an hour, if you're stealing a \$4 item a day. I think this is also a factor that has to be analyzed; and steps might be taken to give employees benefits if the salaries warrant or cause morale problems.

A VOICE: On our employee application we ask the applicant whether he'll take a polygraph test or not. Are we in any kind of difficulty by doing this?

MR. BUCK SHAW: Not knowing your particular state law, if your state law permits polygraph, use of polygraph, then you are not in any problem at all. The fact is we highly recommend this in our consulting to companies. Like in Georgia here, we have no problem with that now. We recommend that that be placed in. Not only that, we go back and through an attitude changing program and properly present it and get all prior employees to agree to that if they haven't. So, you're not in any trouble there.

A VOICE: I have two questions. First, for Mr. Eldred, you referred to a reasonable markup. Would you mind telling us what perimeters you used for that.

MR. ARTHUR ELDRED: Of course, it varies on the item; but if we purchase an item for 50¢ we usually like to sell it for \$1, in other words, double our basic cost.

A VOICE: You work on 50% of selling basis?

MR. ARTHUR ELDRED: Correct, depending on the item. Some items are more competitive, and we have to be more competitive. But, we generally do this as a rule of thumb. We never go over that amount.

MR. BUCK SHAW: On the inventory shortage and pilferage with a question on a reasonable markup brought up a point that you might want to go back to and that's in the education and training of your employees to make them aware of what percent of profit you operate on after taxes.

Many of your employees know that this item that you buy for 50¢ you sell for \$1. And, they confuse that as that 50¢ being profit. So, they will sell that to their friends for 50¢ knowing that you haven't lost anything because you only paid 50¢ for it. But you have lost your profit dollar, so educate them on your profit picture after taxes. We had one employee that had been with the company 21 years. A lovely, loyal lady who worked for the company thought the company made 75¢ net profit out of every dollar. Now, you tell me she's looking after your profits? No way.

CHMN. SMITH: Another point there that we all need to remember is that whenever we refer to our markups, I think it's always wise based on retail, which when your employees should overhear your conversation and you're talking 50% markup, they don't see that. That doesn't seem to be quite as large a figure than if you're talking it on costs, talking 100%, 200% or 300%. I think all of us need to use our terminology, reverse it back to the retail dollar, so 300% markups can be said at 66-2/3. That doesn't sound quite so bad to employees. Any other questions?

A VOICE: Mr. Hilton, you were talking about crafts. Say you have a crafts demonstration and they are selling their craft and you're taking a percentage. What if you find a very good craft but they don't sell their craft? It's just strictly demonstration. How far do you go? Do you pay them by the hour? And, say they've come a long distance and they have to stay for a weekend event. Do you put them up in a hotel and give them their meals or what?

MR. TERRY HILTON: At this time we don't have temporary craftsmen. We don't have that problem. You're talking about like a fair, a crafts fair or something, a temporary promotion?

A VOICE: Say for a special weekend event in your park.

MR. TERRY HILTON: We haven't done that yet. Don Mears can probably answer you, because Cedar Point does do it.

MR. DON MIEARS: Two years ago we started a visiting crafts program in conjunction with our regular crafts. And, we have a scale that we work on. We work from 10 to 30% based on the craft being performed. In addition to that we have one category which we say 100%. In other words, the 100% category is a craftsman that comes in; we think he's good enough for a demonstration; we want him to be a part of our visiting program. However, we know that he's not going to sell anything. So, we pick up his expenses in total. We pay his traveling expenses. We pay his meals while he's there. We also pay his room and whatever else that we have to to get him to take part in our program. Then, we have one particular area that if he sells something, then we take a percentage of what he sells. But, we do pay his way in total if we feel that he's good enough to show the demonstration.

A VOICE: If you have a novelty item selling well at \$1, do you gentlemen have any experience if you knock it down to 79¢?

CHMN. SMITH: I think as far as the retailer goes, those in merchandise, you'd probably get a slightly different answer from everybody. I think my feeling would be that if an item is selling well at \$1, no matter if you paid a dime for it, you would never want to reduce the saleability. I think there are still in our industry certain price points that need to be studied. I think that there are magic feelings about 9's. I think an item selling at 99¢ or \$1 has little effect one way or the other. I think an

item selling at net 79¢ can carry a dollar--without having seen the item, of course. I think an item selling at \$1.49 will sell better than \$1.75. I think 9's are meaningful. Some parks are going to 98¢ versus a dollar. People are now aware of price increases. The consuming public in many of our parks have been back two and three years, many parks many more times. So, they are aware that items have gone up. And, in the park business I don't know that you can ever be too controlled by the retail. I think we have great flexibility versus the department stores versus comparison shopping type retailers. But, personally when you talk about taking the item down once you have had strong sales, strong profit results at a higher price, I would say definitely stay with your winning dollar. I don't think the more you'll sell at 79¢ will ever take place of the 21¢ that you're losing per item sale. Now, that's my own personal opinion.

A VOICE: I would be interested in the per capita spending say of a large park like Cedar Point versus Mr. Eldred in a small park.

CHMN. SMITH: Anyone want to start this off? He'll probably talk in approximates. In most cases those figures are considered pretty confidential. Let's see what Don comes up with.

MR. DON MIEARS: Well, first of all we've been instructed not to give out exact per capita spending for any reason or other. But I think we do in excess in total merchandise for Cedar Point, Inc. --that includes games, any of the retail sales outlets--we do close to \$3 total per capita, including what we classify as merchandising possibility.

MR. ARTHUR ELDRED: I'll give you a figure. We're slightly below \$4 per person. We're not a tourist attraction. We're a local park. It has increased. That's all I can basically say. I can't give you a percentage of what food, rides and so forth, how that varies, what the breakup is. Roughly I would guess it's about maybe 50% to 60% rides, 20% retail sales and the rest, 25% to 30% would probably be retail and game sales and the remainder would be food.

CHMN. SMITH: Our time has expired for this meeting. I will ask the panel if they will be so kind as to stay in the room for a few minutes after the meeting if you have a question you would like to ask one of them. I would like to thank our speakers for their assistance in this program and also thank all of you for your interest in the workshop.

... The workshop adjourned at 11:30 a.m. ...

ANNUAL I. A. A. P. A. MEMBERSHIP MEETING

SATURDAY, NOVEMBER 22, 1975

NORTH AND CENTER SECTIONS OF GRAND BALLROOM

The annual IAAPA Membership Meeting convened at 1:30 p.m., Mr. Thomas E. Spackman, IAAPA President, presiding.

MR. ROBERT BLUNDRED: Ladies and gentlemen, Mr. Thomas E. Spackman, the 1975 President of the IAAPA and the members of our executive committee.

(Standing ovation.)

CHMN. THOMAS E. SPACKMAN: Thank you. I'd like to ask Boyd Jensen of the Lagoon Corporation in Salt Lake City to come to the podium and give the invocation.

(Invocation given.)

CHMN. SPACKMAN: Thank you, Mr. Jensen. And now it is a pleasure to introduce Edward Carroll, Jr. of Riverside Park in Massachusetts.

MR. EDWARD CARROLL, JR.: Thank you, Tom. I wonder if we could have some lights up here so you all can see who your officers are. It has been my pleasure to serve this association for the past year as third vice president and during that time I have worked hard on the program that you have this year. You have already seen about half of it. The program is a result of input from you for this number one show in Atlanta. We have had a difficult time in squeezing 15 workshops in two days. And in order to accomplish this, we have changed the format somewhat. I think that you will find the material presented is informative, innovative and interesting. I think that it is safe to say that there is a preponderance of knowledge being passed forward in this year's workshops. I am going to report on the results of the program's workshops a little bit later under officers' reports. What I would like to do now is to introduce your president for his annual report. From Indiana Beach on the beautiful Lake Shafer in Monticello, Indiana, Tom Spackman.

CHMN. SPACKMAN: Thank you, Eddie. First, I'd like to call upon Robert H. Blundred for the roll call.

MR. ROBERT H. BLUNDRED: Mr. President, as we have done in past years, I will recommend that we entertain a motion to use the advance transcript for the 1976 convention registration for purposes of roll call. Do you wish to entertain a motion to that effect?

(Motion made and carried.)

MR. ROBERT H. BLUNDRED: Mr. President, I would recommend a motion to the effect that we accept the minutes of the 1974 IAAPA Annual Membership Meeting as read.

(Motion made and carried.)

CHMN. SPACKMAN: Now, I would like to introduce Roger Shaheen from Salisbury Beach in Massachusetts for his report on the Banquet Committee and Site Committee.

MR. ROGER J. SHAHEEN: We're giving our banquet report; tomorrow evening we have our banquet--inasmuch as Atlanta is dry on Sundays, we have included liquor on your table plus the availability of obtaining more within the confines of the ballroom. If I know our group they will want more. Musical Memories will include good food, excellent entertainment which will include Dean Hudson's full band with the greatest in dance music and two great talents, Ray Eberle and Roberta Sherwood. And most important of all, it will include the companionship of our youth that make this organization so great. I understand there are some tickets left. They are at the counter at the registration area. Join us all in making a gala evening the best ever. As for a site report, I haven't a final site report because we have just processed it at our last board meeting. Next year we are going to be in New Orleans. It will be a different setup than we have had here. It will be a larger facility for ex-

hibiting and I just feel it's going to be a great show. We will be in New Orleans for '76 and '77, so we all hope to see you there. Thank you very much.

CHMN. SPACKMAN: Thank you, Roger. We will be looking forward to that banquet tomorrow night. Now, I'm going to call on Charles Wood, second vice president, for the Membership and Trade Show Report. I know we are going to have a very fine report here. Charlie Wood is from Lake George, New York. Charlie.

MR. CHARLES R. WOOD: Mr. President, ladies and gentlemen. I'll just make this short and to the point. Not only did we have a number one trade show, we have a number one association. The IAAPA has grown in stature and size under the guidance and direction of our president, the officers, the directors, our dynamic executive secretary, Bob Blundred, Grace Urban and her girls in Chicago and Jack Singhiser, our director of membership. Jack, during the last year, visited parks, both members and non-members, in eight states. During these calls on former and present park members, he was able to pick up bits and pieces, which he passed on to Actionews, which has been for the benefit of all of us. During his trips, he had obtained 19 new memberships, five through letters that he had written and 48 memberships last year at the convention for a total of 72 memberships. The office staff, through letters and follow-up letters, phone calls and all, were able to increase the membership by 84 members, so that we had a total of 156 new members until the convention at the present time. As a result, in 1975, we had 694 members. And just a few minutes before this meeting, Jack reported that he had signed a fiftieth new member during this convention. So we will certainly hit over 750 members, which is an increase from 541 back in just 1972. Our trade show, billed as Number 1, has certainly been an exciting one and will continue to be exciting for the next couple of days. I would just like to report that back in 1968 registration amounted to 2,107 people. So far, in 1974, we had 3,559 people. To date, in 1975, we've had 4,321 people register for this convention and trade show. The booths, which we sold this year, due to a rearrangement in the Patio Room, amounted to 384 booths sold with a standby of over 30 people, who could not be accommodated, plus many of the exhibitors who wanted additional space. This is an increase from back in 1948 of 129 booths. So we have gone from 129 to 384. And next year in New Orleans, we will certainly be somewhere between 400 and 450. I trust that you have all enjoyed the trade show with the new look, the added Patio Room and the exhibitors that we have had this year. Thank you very much.

CHMN. SPACKMAN: Thank you, Charlie. That was certainly an excellent report. I know that those of you who have seen this trade show will certainly agree with that statement. It's tremendous, Charlie. We wonder how much greater it can get when we get to New Orleans. Now, I'd like to introduce our third vice president, Edward J. Carroll, again, so he can give his Convention Program Report.

MR. EDWARD J. CARROLL, JR.: Thank you, Tom. As always, Charlie Wood is a tough act to follow. And last year's program was so good that we determined not even to try and outdo it but rather to change the approach. The theme is a hands on approach to show you, the convention attendee, really how it's done. That's the reason for so much audio-visual equipment presentation. The more we get into it, the more I realize how sophisticated our business is becoming. We have tried to balance the presentations with material from large

parks as well as material from the smaller parks. I would like to thank Bob Blundred for a fantastic job. I arrived in Chicago two weeks after last year's convention and the IAAPA's 1974 material wasn't even unpacked. But Bob and his entire staff, especially Marianne Kroeger, got right to work. And I would like to publicly express my appreciation to them. I would also like to thank all of the workshop chairmen and speakers for doing a great job. I'd also like to thank Paul Roads for being Sergeant-At-Arms, which is a very difficult job under the present format. I've enjoyed serving you this year and look forward to next year with enthusiasm. Thank you.

CHMN. SPACKMAN: Thank you, Eddie. And now we are going to call on Fred W. Pearce, our treasurer, to see what kind of financial condition we are in.

MR. FRED W. PEARCE: Thank you. I am happy to report that the association is in good sound financial condition. Our books closed on a year end basis, we are projecting over a \$10,000 surplus for 1975. Last year I was projecting approximately \$11,000 surplus for this year. It looks like it is going to come in about \$10,800. Thank you.

CHMN. SPACKMAN: I think we ought to send him to Washington. Now, we will call on Joe Malec, Jr., Chairman of the Nominating Committee.

MR. JOSEPH MALEC, JR.: Mr. President, in accordance with the by-laws of the IAAPA, the nominating committee submits the following six names to serve a three year term as members of the board of directors: Mr. Myron Klayman, Paragon Park, Massachusetts; Mr. Paul Serff, Hersheypark, Pennsylvania; Mr. Howard Slusky, Frontier City, Oklahoma, Mr. Ken Wynne, Casino Pier, New Jersey; Mr. Bob Terry, Centreville, Toronto, Canada; Mr. Gary Wachs of Taft Broadcasting, Virginia.

CHMN. SPACKMAN: Do we have a motion to close the nominations?

(Moved and carried.)

CHMN. SPACKMAN: I'll direct the secretary to record the names of our new directors. I wonder if any of them are in the room? Please stand up.

And now it is my pleasure to call Mr. William Browning, Chairman of the Exhibit Awards Committee. Mr. Browning is from Bob-Lo, Canada.

MR. WILLIAM BROWNING: Thank you, Tom. Good afternoon, ladies and gentlemen. There were 384 exhibits that we had to judge. There was a committee composed of nine members from nine different parks. And we had a tough job. The exhibits were many, and they were all good. So the following, in our judgement, are the award winning exhibits. And as I name these names, would the representative of that company please come forward to receive their plaque.

EDWARD L. SCHOTT AWARD

Most Meritorious Exhibit of Equipment or Supplies:

Award Winner:

Trailer Craft Manufacturing Co.

Honorable Mention:

Hortie-Van Flag Manufacturing Co.

Honorable Mention: United Sound, Inc.

ROBERT AND STEVE PLARR AWARD

Most Meritorious Exhibit of Drink, Refreshment and Vending Equipment:

Award Winner: Blevins Popcorn Co.

Honorable Mention: Cretors and Co.

Honorable Mention: Creative Specialties, Inc.

BRADY McSWIGAN AWARD

Most Meritorious Exhibit of Merchandise, Souvenirs and Novelties:

Award Winner: Dan Brechner and Co., Inc.

Honorable Mention: Genie Toys, Inc.

Honorable Mention: Treasure-Craft of California

DUDLEY S. HUMPHREY AWARD

Most Meritorious New Device Exhibited:

Award Winner: Henry Pohl Enterprises, Inc.

Honorable Mention: Intamin AG

Honorable Mention: Arrow Development Co., Inc.

HENRY A. GUENTHER AWARD

Most Meritorious Exhibit dealing with Games and/or Arcade Equipment:

Award Winner: The Computer Place Enterprises
(Glosser and Associates Ltd.)

Honorable Mention: MacGlashan Enterprises

Honorable Mention: Empire Distributing Co.

FRED W. PEARCE AWARD

Most Meritorious Exhibit:

Award Winner: Rowe International, Inc.

Honorable Mention: Arrow Development Co., Inc.

Honorable Mention: GAF Corporation

CHMN. SPACKMAN: Thank you, Mr. Browning. I can appreciate the difficulty your committee must have had to choose these award winners. Now, I'd like to call on Paul Huedepohl, Chairman of the Resolutions Committee.

MR. BATT: Mr. Chairman, members of the association and our friends, it is appropriate at this time that we pause to honor the memory of our good members who have gone to their final reward since our last annual convention. It is traditional that we memorialize our associates who have passed on, and we do so as part of the membership session. I will now call on Mr. Paul Huedepohl to read the

names of our respected members who have departed from our midst. Mr. Huedephohl.

MR. PAUL HUEDEPHOHL: Lester Bookey, Riverview Park, Des Moines, Iowa; Don Deibler, Trackless Trains, Manhattan, Kansas; Thomas Gallagher, father of Wayne Gallagher, State Fair of Texas, Dallas, Texas; Lillian Heinichen, mother of Grace Urban, Joliet, Illinois; Harry W. Henninger, Senior, president of Kennywood Park, West Mifflin, Pennsylvania; Guy B. Hunt, Hunt's Pier, Wildwood, New Jersey; John W. Leahy, Danbury State Fair, Connecticut; Emile A Legros, Cedar Point, Sandusky, Ohio; Julian Norton, Lake Compounce, Bristol, Connecticut; Lewis E. Peters, formerly of Enchanted Forest, Chertonton, Indiana; Ralph Rocco, Rocco Amusement Company, Willow Springs, Illinois; Martin W. Sellner, Sellner Manufacturing Company, Faribault, Minnesota; Hank Shelby, Showmen's League of America, North Miami, Florida. He was the secretary of the association for many years. Aubrey Sturdivant, Unforgettable Cars, Chicago, Illinois; Valdemar Lebech, Tivoli Gardens, Copenhagen, Denmark.

This concludes the reading of the names of those who departed from our midst. Would you all please stand. We'll have a prayer.

(Prayer given.)

MR. PAUL HUEDEPHOHL: Resolved, that we go on record with a unanimous resolution of respect to the memory of those who have gone from our midst since we last met at our annual convention and that we express our sympathy to their respective families, and record same in our convention proceedings. Mr. President, I move this resolution be passed.

(Moved and carried.)

CHMN. SPACKMAN: Thank you, Paul. And now it is my pleasure to present our executive secretary, Robert H. Blundred.

MR. ROBERT H. BLUNDRED: Mr. Spackman, members of the executive committee, Mr. Browning, ladies and gentlemen. There are two seas in Palestine. One is alive with fish, splashes of green adorn its banks, trees spread their branches proudly and stretch their thirsty roots to sip of its quenching waters. Along its shores, children play as children have played since time began. The River Jordan fills this sea with sparkling water from the hills so that it dances in the sunshine, and men build their homes near it as birds build their nests. And every kind of life is enriched because of it. The River Jordan flows to the South into another sea. Here there is no splash of fish, there is no rustle of leaves, there is no song of the birds, there is no laughter of the children. Travelers avoid this route. The air hangs heavy above its waters threatening all living creatures.

What makes the mighty differences in these neighboring seas? Not the River Jordan. It empties the same water into both. This is the difference. The Sea of Galilee receives but does not possess the Jordan. For every drop that flows into it, another drop flows out. The giving and receiving goes on freely and equally. The other sea is a miser, refusing to share its income. It will not be tempted by any generous impulse. Every drop it gets, it hoards. The Sea of Galilee gives and lives. The other sea gives nothing. It is named the Dead Sea.

The IAAPA is based on the giving and receiving nature of Gal-

ilee. This association gives aid and opportunities to its members while receiving aid and appreciation in return. Our members give happiness to their guests and advice to each other while receiving satisfaction and knowledge in return. Sharing is what the industry is all about, to the children on the midway to the founders of the association. And when we consider the giving and receiving of the association, then New England draws closer to the Midwest; the Pacific Northwest hugs the South; and the Valley of the Thames holds hands with the Plains of Texas. Mrs. Blundred and I look forward to our future of giving to and receiving from all of you through the association, and I thank you.

CHMN. SPACKMAN: Thank you, Robert. Now, I'm supposed to give a speech. Members, friends, ladies and gentlemen of this great association, our association. I wonder--did you see what big letters they put in the program, makes you feel good, "The Presidential Address." This is my first, probably the only one I'll ever make. You've heard all these good reports. Bob says things are going right along, and they are. Roger has given us promises about what is going to happen tomorrow night. It's going to be a big one, a big banquet. There's not a lot left for your president to say, really.

I would like to recognize our international visitors. We have visitors here from Japan, Germany and Canada, of course, which are our neighbors, and some other nations too. We are very proud of this, I guess it's up to the president to sort of point the way ahead, at least, the way he sees it. I'm supposed to have a crystal ball. It's just a little bit cloudy today. But there's some good news and some bad news. The way I kind of look at it--maybe we'd better have the bad first. I think, in that respect, that I can see the greatest threat to our industry and to the free enterprise too, in excessive government regulation.

This is something that we can do something about, at least, try. Your association keeps watchdogs in Washington, and we will continue to work tirelessly in your behalf. But you are going to have to back us up with your personal contacts, phone calls and letters to your representatives and senators. We need you badly for this. Perhaps the second most serious threat is inflation. Continuing inflation makes it very difficult to replace your capital investments when replacement costs double or triple over a write-off period. Here again, you, with your letters and your calls, can at least slow this process down.

Now we've got some good news. Our industry has proven that it can outstride a recession. Perhaps we weren't all the biggest winners. But judging from the attendance here at this convention, it must have been pretty good. Looking ahead, there's a good road. It's going to take a little shoveling, but doesn't it always? This reminds me of an expression that one of our employees used after working on a mailing list for several days. She said, "You know, I did not realize those big crowds just happen." You, all of us, can make them happen. I hope that during your visit to our convention here in Atlanta, you've learned a few more ways to do this. And now I want to thank our officers, our staff, our very efficient staff, and our executive secretary, Bob Blundred, for all the help they have given me during this year. I want to thank you very much. Thank you.

Now, it will be a pleasure to introduce Mr. Paul Novak. Mr. Novak is supervising consultant with the management advisory ser-

vices division of Harris, Kerr, Forrester and Company, an international certified public accounting firm specializing in the hospitality and tourism industry. And this industry is going to become important to all of us, much more important than it has in the past, I'm sure. Mr. Novak is a graduate of Michigan State University, where he received a B.A. degree in hotel and restaurant and institutional management. Mr. Novak's most recent speaking engagement was in Orlando, Florida for the joint meeting of the IAAPA and DATO members. This was jointly sponsored by your association. It is my pleasure to present Paul Novak.

"The Mood of the Consumer"

by

Paul Novak, Harris, Kerr & Forrester, Miami, FL

MR. PAUL NOVAK: I've been asked to discuss a very interesting topic for the mood of the consumer is changing and even the consumer, himself, is uncertain for the reasons of his change. Over the past two years, the consumer has been faced with two major problems, which have affected his attitudes toward travel and family entertainment. It is evident that if we could find solutions to the current energy situation and the current economic conditions, we could then cure the world's ills and at the same time be able to anticipate the future mood of the consumer.

For comparison, let's go back to early 1974. At that time, the consumer was faced with various degrees of an energy problem ranging from a serious fuel crisis to a relatively normal fuel situation but with considerably higher prices. With the onset of the energy situation, the consumer began to recognize the need for conserving fuel for necessary activities such as the necessities and not the pleasure travel or the leisure travel. Even if he accepted the idea of using fuel for pleasure, he was still faced with the possibility of running out of gasoline and not be able to reach his destination. This fear of running out of gasoline resulted in a reevaluation of his leisure plans and caused him to cancel vacations, minimize weekend travel and/or shorten trips when traveling.

This attitude lasted for only a relatively short period of time. And by mid-summer of 1974, the amount of tourist travel began to show reasonable signs of recovering. At last year's Travel Research Association conference, a speaker opened his talk by stating that "In truth, the crisis has passed, and while the effects still linger on principally in the form of higher prices for oil derivatives, the major news has died down, and the obvious symbols of the crisis, gas station lines, lowered thermostats, and so on, has vanished." While this gentleman was perfectly correct in his evaluation of the energy situation at that time, another change in the energy situation then occurred. The consumer found himself facing the possibility of rationing or substantially higher gasoline prices. And again the situation changed. The mood of the consumer changed. The consumer who was trying to plan his next vacation or trip again faced this state of uncertainty and with regard to this, it became a very serious question in his mind as to what the future availability of fuel would be. Since the consumer was uncertain as to the amount of fuel available when he wanted to travel, he began considering trips which required minimal amounts of fuel. The consumer found himself researching those vacation areas within a short driving distance of his residence, which was also the case in the early part of 1974.

While the ultimate energy situation has not significantly

improved, the current situation is much better now than it has been in recent years. We presently have adequate amounts of gasoline available, and prices so far have not skyrocketed to the dollar a gallon level anticipated. Thus, the importance of the energy situation to the consumer has lessened, but he is still very aware of conserving fuel. This brings us to the next problem. As we are all aware, the current economic situation has changed the thinking of all of us, but it has had a particular effect on the attitude of the consumer, particularly seeking family entertainment. Last year, Harris, Kerr & Forrester Company conducted a study which indicated that the general attitude of the consumer was that they were more concerned with providing the necessities of life rather than the luxuries.

Interestingly enough, several months later, the consumer's attitude changed for he was again vacationing and traveling on weekends. Our study also provided insight into consumer attitudes toward value received and how he planned to spend his income. With prices increasing on virtually everything, the consumer was, and still is, quite concerned as to the inflationary effects on travel as well as those expenses incurred once he has reached his destination and with the value received for such leisure expenditures. The consumer began to react very strongly to situations where he felt he was being ripped off, which is a subject of its own.

Another study conducted late last year by a major travel organization indicated that consumers were very sensitive to a change in conditions, particularly economic changes. The issue of dollars and cents was a very important factor and one which is expected to be of great concern in evaluating plans for future travel. Following this last study, the economic situation became even more severe. The consumer in late 1974 and 1975 found himself in the worst economic conditions in over 20 years. And the total amount of disposable income available for pleasure travel was decreasing, particularly due to the unemployment situation. So at that point, we began to question whether the consumer would go ahead with vacation plans, change vacation plans or cancel the plans entirely. Did this then mean that tourist attractions, entertainment complexes and other tourist oriented facilities should reduce their advertising expenditures and marketing efforts for fear that buying generated by the expenditures would not be justified by costs?

Recently a major travel organization conducted an extensive study to answer these questions and to establish what should be done with the proposed advertising program. The study basically indicated that the travel market was at that time beginning to experience some erosion but that a large number of travel prospects were still actively involved in trip planning. They also found that persons were vulnerable to rising costs in a worsening economic environment. However, their conclusions from this study were to proceed with the advertising program, rather than delay it, even for a short period of time, and to reorient a portion of their advertising to relate to the economics of certain types of package tours.

Well, then, now that 1975 is almost over, what has happened this year? First of all, let's look at the winter season and how the state of Florida fared, which is certainly one of the most extensive tourist states during the winter season. Before the winter season began, operators were fearful that the economic conditions would have a severe effect upon their peak season business. All indications were that the consumer was not going to spend the

money to take his annual winter vacation. Yet, by the end of the winter season, Florida had experienced its best year ever.

Additionally, Disney World has recently reported that attendance records were broken for its last fiscal year, attracting over 12 million visitors. What were the reasons for all this travel, particularly since it was not anticipated that the consumer would spend those leisure dollars? It is our opinion that at least some of the reasons for this unexpected consumer reaction are (1) auto workers who had been laid off, many of them who were collecting as much as 95% of their paychecks and had the time to travel; (2) the rash of bad weather in the Midwest and Northeast last winter, particularly in the Northeast, around Washington's Birthday; (3) the fear by many consumers that if they did not take a vacation now, they might not get one at all when next summer came around; (4) many people who normally vacationed overseas were now staying in the U.S.; and this fact was substantiated recently by figures released by the U. S. Travel Data Center, indicating that U. S. travel to Europe was down 16% last year.

Now, let's look at the summer season around the country this past season. My research indicates that, in general, tourist attractions which were primarily oriented toward serving their local and regional market areas experienced record summer seasons, and all of this occurring with only moderate improvements in the economic conditions in the country and in the world. While the peak seasons in 1975, the winter season and the summer season, were excellent and attendance records were being broken throughout the country, we should not allow this experience of 1975 to give us a false sense of security. It should be recognized that the mood of the consumer is very susceptible to change right now. He may not have the same attitude a week, a month or a year from now. While it appears that the consumer intends to travel in the near future, based upon the future bookings for the winter season, as reported by airlines and hotels in Florida, any unfavorable change in the energy and economic conditions within the world could again change the consumers' attitude. In addition, any other changes which might affect the attitude of the consumer must be recognized. It is very important, therefore, that you establish your primary and secondary market areas, have a good understanding of these markets, and be flexible enough to orient your marketing efforts to those markets as their attitudes change. Careful assessment of advertising and marketing strategies are more important than ever now since these economic and energy problems have created greater planning on the part of the consumer. Consumer awareness is particularly important now because people are formulating their full trip before leaving and are not likely to increase their costs along the way. It is thus very important that the consumer is made aware of attractions and entertainment facilities which are conveniently located to his residence or on the way to his final destination.

In addition, the use of continuing research, as an essential tool to evaluate the changing moods of the consumer should be implemented. Continuous consumer research can be helpful in establishing whether or not immediate redirection of advertising campaigns or marketing efforts are needed if the attitude of the consumer is again experiencing change. The utilization of ongoing research can also be valuable in determining the mood of the consumer through evaluation of the performance of your operating departments or your actual results per capita spending approximating or exceeding projections--if they are not, where is the problem?

Believe it or not, it could be because of your own facilities and not because of the market. As an example, Harris, Kerr & Forrester Company recently completed a study of the feeding operations on a major U. S. turnpike. The study was designed to find out why travelers were not utilizing the facilities. While most persons would have thought that the situation related to decreases in volume would have been due to the sensitivity to high prices, particularly with today's economic conditions, we actually found that the problem was related to the quality of the food, the speed of service and the cleanliness of the facilities. There is no question that the mood of the consumer has been that of uncertainty. However, the stabilization of the energy and economic conditions has lessened some of this uncertainty; and people are beginning to travel again and often in record numbers. Thus, it looks like we are headed for a super bicentennial year in 1976. However, we should remember that we must be in a position to shift our own attitudes, marketing efforts, etc. to coincide with any changes that develop, which might affect the attitudes of the consumer, so that 1976 will, in fact, be a record two hundredth year. Thank you.

CHMN. SPACKMAN: Thank you, Paul. Do you have any questions? Is there any unfinished business or any new business? Just before we adjourn I would like to take just a minute--I see Doc Firestone over here. Will you stand up, please, Doc? This is his 50th convention.

Now, in concluding the general session, we'll move immediately into our next program, which is the Employees' Workshop, and, Irv Potter, Chairman, I'll call on you to take over. Thank you.

... The Membership Meeting adjourned at 2:30 p.m. ...

EMPLOYEES' WORKSHOP

SATURDAY, NOVEMBER 22, 1975

NORTH AND CENTER SECTIONS OF GRAND BALLROOM

The Employees' Workshop convened at 2:30 p.m., Irv Potter, Riverside Park, Agawam, MA, presiding.

CHMN. IRV POTTER: Good afternoon, ladies and gentlemen; welcome to the Employees' Workshop. Today we are here to discuss and to discover how to hold our employees for the entire season and how to keep them happy. Our first topic is given by a man with 30 years of experience in the tourism and recreation industry in Wisconsin. He graduated from the University of Wisconsin and since then has worked seasonally with the tourism and resort business until three years ago when he became the general manager at Fort Dells. Ladies and gentlemen, Mr. John Dixon.

"Employee Relations at Fort Dells"
by
John Dixon, Fort Dells, Wisconsin Dells, WI

MR. JOHN DIXON: Hi, welcome to Fort Dells. And, that's how we hope our parking lot attendants greet each and every visitor as they drive into our parking lot. And the same goes for our main gate personnel and everybody else on our staff.

Let me just tell you a little bit about Wisconsin Dells. It's

a tourism community in central Wisconsin. They started running boat trips through some high rock cliffs on the Wisconsin River over 100 years ago. And, it has grown into the most popular tourist attraction in the State of Wisconsin. The community itself has 2,500 residents. We have housing for over 16,000 people. We annually host a convention of 10,000 to 14,000 people with the Worldwide Church of God.

Since the boat trips started in the area, we have 35 major attractions, themed parks, ride parks, various scenic rides and so forth. And, each spring we have an influx of about 1,500 college students that come to Wisconsin Dells seeking employment.

The State of Wisconsin has an arm of their employment agency that comes to the Dells in the spring and assists in placing these students.

Fort Dells is a frontier themed amusement park which began in 1959, patterned after the Frontier Land of Disneyland. Fort Dells has never had to solicit any employee nor to participate in the state employment agency's work. We're very fortunate. My predecessor, some of you may have known him, Jack Gray, created an atmosphere which is hard to duplicate. And, our supervisory personnel has continued on this relationship with our employees. It's a fun type place to work. Our pay scale is probably the lowest in the area. But, our sociability is probably the highest.

We have a turnover that is very small. One hundred employees, and we normally retain 70 to 75 of these employees. These are on a seasonal basis. Each spring as the employees come into Wisconsin Dells, our Chamber of Commerce has what they call a SEP, Seasonal Educational Program, where they pass out a book of passes where they go to each of the attractions in the Dells to become familiar with what is there, to better be able to inform our visitors and to give a firsthand account of what is available.

In the middle of July there is a drawing for those employees who participate in this SEP program. And, the first prize is a \$100 savings bond. And, then there is one \$50 second prize and two \$25 third prizes. This has been a very effective Chamber of Commerce, not typical; it's an advertising agency. And, all attractions, housing, restaurants, anybody involved in the tourist industry in the Dells has an investment percentage that they contribute; and this investment contribution goes into out-area advertising. In other words, we cooperate to bring people into our community from all major market areas of northern Illinois and Minnesota, Michigan, Indiana, Iowa and, of course, our own state, Wisconsin. Once they're in the Dells area we fight tooth and nail over them. But, we do cooperate to get them into the community.

But, getting back to our employees at Fort Dells, we try from our first organizational meeting in the spring to make them aware of the importance they are to the Fort itself. They are Fort Dells as far as we're concerned. They're the ones that greet them in the parking lot, sell them the tickets, help them on and off rides, serve them the food.

We have suggestion boxes. We don't give them any reward other than their personal satisfaction of something they have contributed to the Fort in making the visitor's stay more enjoyable. We pass out a little letter of the nice tourist who doesn't come back, who's been abused, whether it be in a food installation or on a ride or at our main gate. He doesn't say anything, but goes away;

and when he gets home, he says, " Don't visit such a place." Never says anything to us. We're not aware of it. But, he does \$10,000 worth of damage when he gets back home.

We try to instill positive attitudes; and we have attitudes on the employee's relationship with guests of Fort Dells, how they smile, how they appear, they're enthusiasm in their work. We try to help them with their attitudes with their fellow employees. No one is hired at Fort Dells for one specific job. We hope that they are trained so that they can perform any duty at any time. We're a very small park. We can do things on a small scale, which, of course, those of you in the larger operations cannot do.

We're also interested in their attitudes towards management. Our supervisory personnel have been with the Fort since it was built in 1959. Each one of these people knows every employee by name, where they go to school, what their interests are. Now, we have had a couple of excellent years in our rides at Fort Dells because we have just introduced a coupon book. We're not equipped capacity-wise or parking-wise for a pay-one-price; but we do have a selected coupon book. It requires selling at our main gate; and it's been very effective in increasing our rides per capita from about 2 to 4.5 rides per person. And, we've been very happy with it. So, we've been setting records on all of the rides at Fort Dells. And, our supervisory personnel will go over to the ride operator and say, "Thank you; great job." A little personal touch in a small way makes a very happy employee.

We have in these various attractions in Wisconsin Dells athletic contests between the boat trips and Fort Dells or Tommy Bartlett's Water Ski Show and Fort Dells. And, the barrel of beer is often provided by the employees. How many of you are aware that Wisconsin probably has the highest beer intake per person in the world? It's a very important part of our summer. One reason we hire 18 year old people and over, our law requires they be 18 to operate rides; and we also don't have any problems then with the beer parties that are oftentimes very spontaneous after a good day.

At the end of each year we reward our employees with a bonus for completing our season which is Labor Day. Our state universities and private schools in Wisconsin basically start before the end of our season. But, the agricultural industry, the canning industry and the tourism industry have gotten together and lobbied with the chancellors of our various state universities to allow our employees to report late to the university without penalty. This is still up to the individual. If they feel they can afford to miss a week of school, then they work for us: and they will get the bonus. If they do not, they attend college when it starts; and they forfeit the bonus.

We also have a year-end dinner; and it's a deluxe affair. They dress up. It's amazing how they can look when they wish to put on a shirt and tie like I don't have on. But, they're fine young people. And, I think the secret to the happiness at Fort Dells is the concern of the supervisory personnel, the management and everybody for each other. They're a very major part of our operation. And, they like it there. They come back year after year. Thank you.

CHMN. POTTER: Thank you, Mr. Dixon. Our next speaker has been with Idlewild management for 15 years, in each of their divisions. He attended Cornell University in hotel and motel restaurant management and is currently president of the Pennsylvania Association

of Amusement Parks and vice president of operations of Idlewild Park. Ladies and gentlemen, welcome Mr. Scott Mac Donald.

"Today's Young Could Be Your Best Employees"

by

C. S. MacDonald, Idlewild Management Co., Ligonier, PA

MR. C. S. MACDONALD: I don't have anything really technical that I can help you with. We do have bonus programs and so forth. I'm really going to sound like a backup to our previous speaker.

Most of us at various times and places have said to ourselves, "Damn these kids; they won't do a thing. These young people don't want to work. They just want to sit around and play." Well, I disagree. I think the youth of today are sharper, more on the ball and in most cases have it together a lot better than we did when we started. The trick is to get them to use it.

Today's young can be your best employees if you'll take the time and thought to let them be. Today's young want answers. They don't want to be told that you push this button or help this lady on and off this ride or you park this car over there. They want to know why. And, it really doesn't hurt to tell them. There are very few secrets in our industry other than financial; and most of us after a couple of drinks will divulge those.

So, don't be afraid to tell your employees why the cars have to park there, why candy cotton has to be made a certain way, why the restrooms have to be cleaned or why the pool has to be guarded when there is no one in it. Once they understand these things, they'll do it for you 100%.

We too have tried to get our employees involved in social activities after and sometime during operation. We started something this year that we revived from 20 years ago. We got inter-departmental softball games. And, now with women's liberation we've found that we've had some second basemen that don't look too bad in T shirts. They can hit the ball pretty far. They run funny but they're good second basemen. But, the kids enjoyed it. It was competition. They felt a part of something. They didn't feel that they were just coming in and punching a time clock and leaving.

I don't have the great answer to what happens on the 15th of August when half your help says, "I'm going back to school." I wish I did. As our previous speaker said, in some cases they can work out a situation with their schools and colleges; they can stay that extra week. But, the thing we have to keep in the back of our mind is that we have to realize that we're going to lose some of our employees on the 15th of August. And, with a little preparation on the 1st of August hopefully have a replacement for them. Or, if we're not able to, if you have a park or attraction that is based on booked outings, maybe you want to say to yourself, "I'm not going to have quality employees toward the latter part of the season; I had best do the major part of my business in the beginning of the season and not overbook myself and get a bad name."

The young today are interested; they're smart; they're intelligent; they want answers. And, they also like the word, "Thank you." And probably if I can say one word today, just say, "Thanks young;" and they'll work for you from sun up to sundown. Thank you.

CHMN. POTTER: Our next speaker will speak about processing proce-

ture as a professional personnel man who graduated from Andrews College in organization and management. He now is the personnel director with Worlds of Fun. Ladies and gentlemen, Rod Newberry.

"Seasonal Employee Processing Procedure"
by

Rod Newberry, Worlds of Fun, Kansas City, MO

MR. ROD NEWBERRY: Before I start my presentation, I would like to explain a little bit about the philosophy of why we process our employees in the manner in which we do. I've been with Worlds of Fun now a year. As a matter of fact, it was just a year ago that I was here for my first real experience with the theme park industry. And, the whole idea of hiring and processing 1,300 ambassadors at one time was a little overwhelming. So, I took a look at the way it had been done in the past; and talked with my tour directors and general manager. We came up with the method I'll be talking about.

Historically, when the interviewing was done, ambassadors, rehire ambassadors, old ambassadors, new ambassadors were all mixed together. So, in the interviewing situation you had part of the ambassadors who had worked there before who were totally bored with the whole situation as you went about explaining what Worlds of Fun was about, what type of jobs were available, what the salary structure was, what was expected of them and on and on. So, half your group was bored; the other half was attentive. So, we came up with a method whereby we did a lot of the processing, a lot of the interviewing process by mail.

Starting during the month of November, we get our forms put together. We redesigned the application this year. We redesigned our personnel action worksheet. We made sure that we got the various letters, Christmas cards, etc., that we use in this process, done during October. We contact the printer to make sure all the forms are done, and all the revisions are done. And, each department is contacted; and they all have input into this process.

This year we redesigned our personnel action worksheet to include some information that not only my department but our public relations department use. The personnel action work sheet is probably the same type information that you have in your file. And, it includes pertinent information that you need such as address, name, phone number and this type thing. We've gone a step beyond that. I also include in this different areas that we use. Like, we have a code for what high school or college these ambassadors go to. This information is then used by the public relations department who sends out little news bulletins and this type thing to their area, be it newspaper or area school, saying that Jane Smith or John Doe is working at Worlds of Fun and having fun.

There is also an area indicating how many years they have worked at Worlds of Fun. This tells me how many repeaters I have, what percentage. We like to keep about a 50/50 ratio of new hires and rehires, because we've found that after an individual has been there for one or two years they know the easy way to do things. They have time to goof off and this type thing. Plus, as you bring new people into the organization, they may have additional ideas that someone else might not have thought of. So, we try to keep this ratio.

Another important area that I had this year, mainly for my benefit, is how the individual was recruited; and this tells me

how effective my various recruiting methods are. Also, I know then where I best need to concentrate--one area is weak or one area is doing okay and this type thing. So, this is what I redesigned into our personnel action worksheet.

We have a very good data processing department; they can give me about any kind of information I want about the ambassador. During the first week in December I request from the data processing department a gummed label, to gummed label printouts of all our "yes rehire" ambassadors. A "yes rehire" ambassador is an ambassador that has been coded as an individual that the department wants back next year. And, each department director or manager sits down when they're processing out, signing the final paperwork of each ambassador, codes them and grades them. This information is then fed into the computer so that I get a listing back on the gummed labels that can be peeled off and put on envelopes of all our "yes rehire" ambassadors.

Now, this information then is given back to me by the data processing department. My department then in turn sends each department their listing of "yes rehire." The department director/manager then goes through that and examines each one of these individuals; and because of our 50/50 ratio that we like to maintain, on the first go-round they will select those individuals that they feel are the best of the "yes rehires."

Then they send a listing back to me. Upon this receipt we start putting together the packet that is sent to the "yes rehire" ambassadors. This packet includes a Christmas card from Worlds of Fun, a letter from the general manager and then what we call a letter of inquiry. Now, the letter from the general manager is a letter explaining to them about our new processing procedure and thanking them for a job well done and outlining in general some of the things we are planning to do this next year. What we do, in effect, is outline the terms and conditions of employment. We outline the specific date of their availability. And, at the top this year I've added, "This is not an employment offer but an inquiry to your intent and interest in working at Worlds of Fun for the '76 operating season." As we get these letters back then, we have a pretty good idea of about how many ambassadors are planning on returning to work this year.

Last year we had letters that were sent back indicating that they would be interested. We had about 10% no-shows, which isn't a bad ratio. This letter and Christmas card are mailed by December 15th. Also, during the month of December we will start running spot announcements about applying at Worlds of Fun for a job next year. A lot of these announcements are public service announcements. They're free of charge, done by various radio and t.v. stations in Kansas City.

We also have an arrangement with the Missouri Employment Commission where we're classified as a satellite division. And, by doing this we get, again, free public service announcements that are paid for by the State of Missouri; because we are the area's largest employer of young people. And, they've been very good in working with us in notifying and making announcements and this type thing that there are jobs available for young people at Worlds of Fun.

In the general manager's letter it's pointed out that when the kids hear these announcements that they are not to rush out

and apply for a job, because these announcements are keyed to people who have not worked at Worlds of Fun before.

We start interviewing over Christmas vacation. This year we will be interviewing four days. Last year we had about six or seven hundred young people that came out and applied for work at Worlds of Fun who had not worked there previously.

After the first of the year we start getting back the letters of inquiry. Last year by the middle of January we had received some 98% of these letters. The department number is coded on the letter; so, as these letters come in, they are separated by department. And, then around the last week in January the letters are sent to the departments. The departments then review the letters versus a listing that they get of the "yes rehire" ambassadors that they wanted us to contact. This way they know what kids are planning to come back; and they can start filling the key positions. They also know then that if they aren't up to their approximately 50% "yes rehire" ratio, then they'll use their backup listing from the printout we gave them and will send us a listing of kids they want us to contact that worked there last year. Then when we get this information we start calling the ambassadors who had gotten "yes rehires;" and we also start calling in our new hired ambassadors.

Now, what happens if an ambassador says or indicates on his letter of inquiry when he sends it back that he no longer wishes to work in the department in which he worked last year? Well, this letter is sent to his own department. His own department writes recommendations on the letter. Then, it's sent to the department that the ambassador is interested in going into. When this happens, the rehire ambassador loses, I suppose, his special category of the "yes rehire." And, he then takes his chances just like any other new hire ambassador.

By the end of January or the first of February personnel starts sending out letters to those ambassadors who have indicated they are interested in coming back. These letters indicate the date the ambassador is to come in and the time. And, also in the letter for the rehire ambassador is an application form and a help questionnaire. All this paper work that they normally would have to fill out when they come into the personnel department is all taken care of at home. When they come in we have already typed up their personnel jacket that has the PAF all typed up, all coded. The department is coded on the name. So, when they come in, instead of spending two or three hours in the personnel department, we find that it generally takes five to ten minutes. They come in; they pick this up; and they're on their way to the department interview. Then, it's to security to get processed through security.

Pretty much by the middle or the end of February the processing for spring is pretty well wrapped up. This year our ambassador processing will start February 17th; and each department has so many days to process. So, in other words, all ambassadors for that department are processed in generally not more than four days, depending on the size of the department. For example, food service, our largest department, will have about four days because of their size. Other departments may have only one or two days.

They get their I.D. picture taken in security; and they are given the employee copy of the PAF. Now, this employee copy then

gets them into the park for the various departmental training sessions. Ambassadors are given their regular I.D., locker combination and car stickers at the regular ambassador orientation that's held prior to the park opening. This again is a chance that the department can use to determine who missed orientation; and they can follow up and find out why. We've found that by the time the park opens most of the ambassadors that have been selected through this process show up and go to work.

A couple of weeks before the ambassador orientation, we send the ambassador their handbook through the mail. And, we have found that by this time you have keyed the family into this information that you're sending out to the ambassador. First of all, you contacted them with a letter to find out if they're interested in going to work. Then, you sent them a letter that said they were being accepted; and you wanted them to come out and finish processing. Now, you're sending the ambassador handbook. The father and the mother are interested in the things that are coming into the home from Worlds of Fun. In the handbook is a little statement saying, "Yes, I have read my handbook; and I will abide by the rules and regulations," etc., that is signed by them and sent back and put in their personnel file. And, so, if a problem arises at a later time, you say, "Well, did you read your handbook? You signed a statement that said you were going to go by the rules and regulations." So, if I have an irate parent on the phone, I have some backup; plus the fact that this information has gotten into the home.

Now, after our summer requirements are completed, we process on a daily or weekly basis, based upon each department's personnel requirements. And, we do not send things out through the mail. Generally, it's on a call-in basis. They have to come in, and we have to type up the paperwork. But, because the volume is not as great as you experience in your spring and summer hiring processes, we've found that we keep this up on a daily basis; whereas, before it was a two to three hour wait for the ambassador; we've found now that it's down to 10 or 15 minutes. Thank you.

CHMN. POTTER: Our last speaker was the manager of the Wisconsin State Fair for 17 years; operated the Milwaukee Summerfest for two years; and eight years ago bought one of the oldest amusement parks in the country, Muskego Beach, which was established before the Civil War. It is now called Dandilion Park. Ladies and gentlemen, Mr. Bill Masterson.

"The Role of Seasonal Employees at Dandilion Park"
by

Willard Masterson, Dandilion Park, Muskego, WI

MR. WILLARD MASTERSON: Thank you, Irv. Ladies and gentlemen, I have been in the association here eight years; and I want to take this opportunity to thank the association and the officers, directors and all members for the tremendous amount of help that I have received in the eight years we've been in here. And, if I can help anybody in any of my experience, please call me.

And, today we talk about seasonal employees. The role of the seasonal employee is a large role. Without the seasonal employee I wouldn't have a job. We couldn't operate our business without seasonal employees. It's a tough thing to have. You have to have them. We do have problems with it. And, I'll run through our procedure.

Well, teenagers are very much the same all over the country. We have a lot of good ones and a few bad ones. But, I would say the majority are indifferent. And, I think that indifference can be changed to enthusiasm with good supervision. And, one of the questions is how would you supervise? I would say that you supervise; you supervise; and then you supervise some more. That's about the way we do it.

We purchased the park eight years ago; and at that time our youngest employee was 59 years old. We had two in the 80's and many in the 70's. Now, we have run 180° in phase now. And, we have the greater majority of our people who are youngsters, young employees, young adults. Now, we'd like to sprinkle a few of us older ones with it, but now retirees are getting more and more difficult to find. But the Social Security law allows so much money before they start taking away some of the pension; and then coupled with the fact that 15 years ago the pensions were not as good as they are now, after they've worked X number of years, they don't want to come back. They don't want the long summer days. There are exceptions to this rule. But, we find that out. So, we go along with some young ones.

We are not without problems with the youth. Some of the problems, I would say, are the parties. That is a problem. We have some dress code, and then some enthusiasm that wears off in August, when they take off for college. One of the speakers said the students are allowed through the lobbying to stay late. Sure, that's true. But, the student, when he works for about three or four months, he's dying to get back to school. Because, the six days a week and the long days, he's ready to bail out.

We recruit early in the spring from high schools and colleges in our area. Word of mouth is good. Bulletin boards and various ways, former workers, the families of former workers are some of our key people that we get. Our interview and hire days are during spring vacation.

We have a bonus, a 10% bonus--I won't take a lot of time to go through that; but there are copies available over here on the table, if you would like to take one along.

We use youngsters in supervision too, the ones that stay over; and they come back, a great majority of them come back. This is a problem. You try to get the older ones to supervise the younger ones, if possible. But, then you get a young one that has a lot of common sense--and, we've had a few problems. You know, love makes the world go round. Well, you don't want the supervisor to fall in love with some of the people he's supervising. That happens.

I'll give you an example now and tell you a little bit about what happened in 1974 when our young people at Dandilion Park made an unsuccessful attempt to organize us. Our first knowledge of this plan to organize us reached us when a young girl who was living with us said that they asked her to sign what they call an information card. And, she said that she didn't sign it; but she wanted to know what we knew about it, what was it and so forth. And, I have a farm background, I'm an old farmer out in Wisconsin; and I knew nothing about union organization.

We really didn't do much. We stewed a lot. We asked a lot of young boys and girls that we thought were close friends what was going on. And, we got a lot of different answers. Most of

them said, "Oh, it doesn't mean anything; it was just an information thing." But, don't believe it, folks.

By the time we woke up, 75% of the employees had signed the card; and this is a commitment card to start the negotiations. Now we talked to them; and we found out very quickly that their peers mean a lot more to them than their employer. That's one thing you should never forget. The union that was trying to organize them was a relatively unsound organizer of stadium employees, people who worked in stadium events and so forth.

We stumbled around and did practically everything wrong. Then, we talked to our accounting firm; and they gave us the first good tip we had. They said, "Don't screw around; see a law firm and a good one. There are a few of them in the country that handle nothing but labor laws, absolutely nothing; and these are good." So, there happened to be a good one in Milwaukee, a good one that the coal industry used about five years. So, we went down and engaged the law firm. And, the first thing they told us was not to spit. And, lord, we had spit all over the place. Now, let me tell you what spit means. "S", you cannot spy; you cannot go to one of their meetings; you cannot send someone to go to one of their meetings. We sent our daughter to the meeting.

"P", you cannot promise. You cannot say, "If you will work with us and kill this thing, we'll give you a raise and we'll make you a supervisor or we will give everybody a 25¢ raise if it goes down the tube." No. No.

"I", you cannot interrogate. This means you can't question them. You can't bring them in, which, lord, how many we questioned. By the way, before we get to the "t", a violation of any one of them automatically puts the union in.

So, the "T" is threaten. You cannot threaten to close the park. If the thing goes through, we'll quit it; we'll wipe out all the kids; and we'll hire retirees. No, you can't do it. So, spit, you can't do.

And, we were lucky. We weren't caught. We weren't pressed on any charges. And, through a little quirk that we did not do enough interstate business, we were dropped by the federal mediators, but immediately picked up by the State of Wisconsin.

So, we had the lawyers; and the lawyers took over. And, we went to the first meeting; and they asked me who I was; and I told them my name. And, just about that time the lawyer called me back and sat me down over there. My wife was along. We're a family business. He said, "I don't want you here. She'll probably say something wrong. Get down there and drink coffee; and if you're needed, I'll call you." He didn't call us. But, I know it went on. There are very skilled manipulations of this thing. Our man was no match for the union man. He was outclassed 100%. But, the thing was dropped. He got it killed before it came to a vote.

We had to appear at three different meetings when you knew the cards were stacked against you. My advice to you is the advice given to me by the man that works completely with union, works with all types of union people. He said, "One, don't think you know your young people. You don't." That was his first statement. "Two, do not hire the following majors from colleges, psych, poly sci, philosophy." Now, I suppose I'll get killed on that one from

lots of my friends. But, this is what he said, "These people are out to reorganize the world, and they're going to reorganize you. They don't like the way the world is running, so let's do it over. And, three, watch out for the exceptionally bright student. You know, the exceptionally bright student does not want to sit around and push a button and start a ride. This bores him. This really bugs him after a while; and he's trying to figure out what to do new."

Our ring leaders were two boys and a girl. I canned the two boys much too early. In addition to SPIT, you can't do that. I did it. So, very luckily in one twist here one of them quit. The second one was this very brilliant young man. He's studying to be a lawyer. He is in psych; and he wants to have on his record before he gets in law school the fact that he organized with his own hands a labor union, because he wants to become a labor leader. Let me tell you, this guy is going to do it, because he quickly left us, went up to the university; and he organized the food service industry in the dorms. He found out where he made his mistakes at Dandilion Park and corrected them and went right back.

Well, this was our experience of 1974. And, it was a dandy. We won it. But, it's an experience that I wouldn't like to go through too many times. If they had had a good strong union behind them, they would have beaten us definitely, because they would know much more how to handle it. That was our winning point on the situation. But, again I say that it wasn't the kids--they did not want any more money. And, this made them a hero in the eyes of the people that talked to us from the state level of trying to organize. They had two or three things they thought they wanted that didn't amount to anything. But, really, you know what they really wanted. Thank you.

CHMN. POTTER: Thank you, gentlemen. You've heard all the presentations. Are there any questions at this time?

MR. CHARLES WOOD: I'd like to ask John, where you give out books and tickets to employees of other attractions, how many tickets for the other attractions were in this book of tickets?

MR. JOHN DIXON: There are 35 attractions in the Dells. And, for various reasons all of them do not participate. There are about 25 that participated in this program. This was free admission to that attraction. They must have the representative of that attraction initial the book that they bring with them. This is then turned in for a drawing at the end of the period which was about the middle of July.

MR. CHARLES WOOD: There was only one admission ticket?

MR. JOHN DIXON: Right, for the one employee.

MR. CHARLES WOOD: We used to give five passes to each employee to different attractions that we had; and it ended up the single youngsters living in our area were in the parking lot selling them to our customers at discounts.

One other question, if I may, please. How much of a bonus did you give, John, if they stayed that other week or two?

MR. JOHN DIXON: Our bonus varies from \$50 to \$200, depending on how well they perform. It's a subjective judgment by the supervisory personnel.

A VOICE: Irv, I'd like to ask Mr. Masterson what were the things they were looking for?

MR. WILLARD MASTERSON: Longevity, they wanted to assure that they could come back in future years. That was the big point that they did, and more breaks.

I want to tack on one other thing on the bonus thing that I omitted here when I gave my little talk. Last year we had been able to book large industries, three of them on three Sundays after Labor Day. They were big enough to buy the park, and exclude everyone else. So, this gave us a problem of how did we get the people back. The year before when we ran a couple, we paid time and a half to get the kids to come back from college. But, it wasn't too successful. So, we got an idea and called it the big buck award and signed it up and talked it up ahead of time that if they would come back and work the three weekends, six days, that at the end of the working time we'd give each of them a crisp new \$50 bill. Now, this thing appealed to them a lot more than the time and a half, which would be the same money, about. And, we had almost 100%, except those who went a great distance to school. But, it worked very, very successfully. The \$50, when they're starting to school, probably the big buck made a big party. I do not know. But, it worked.

MR. DOUG BOUCHARD: John, you and I are in a similar situation. What do you do about accommodations for your employees? Do you provide any? And, if so, what are the costs to the employee for the accommodations? And, what is the general cost for accommodations for employees in your area?

MR. JOHN DIXON: Fort Dells does not provide accommodations for any of its employees. It's becoming a very severe problem in Wisconsin Dells, because we have, as I mentioned, about 1,500 students that come into the area in a town of 2,500. And, the city is clamping down on the quality. Some of our allied businesses do provide accommodations. I would guess that for a fellow the average weekly rent is \$12 per person, and for a girl \$15. This is not food privileges. This is just a place to sleep and take a shower and change clothes.

A VOICE: Some of you gentlemen in the panel have mentioned about bonuses. Could any of you elaborate on other benefits like parties and so forth?

MR. C. S. MACDONALD: I didn't mention that aspect of it a while ago but we at Idlewild are probably in the same situation as most everybody. We have a performance bonus that's payable at the end of the season, if they last throughout the season, or if they have proved to us that they have to return to college at a certain time and we agree upon it at the end of the season. Usually, it depends on the job classification. It can range anywhere from 50¢ to \$1 to \$5 a day, based upon the number of days they stay with us, hopefully through the end of the season.

We do provide the softball games and feed the employees. We have taken them to baseball games in Pittsburgh. We used to have an employees' party. We have gotten away from that, mainly because it would have to be at the end of the season; and there again, quite a few of our employees had already left, so you'd be giving a party for somebody who had been with you for about two weeks.

MR. WILLARD MASTERSON: I have one thought. If the student has to

go back or has to leave early and cannot complete the agreement we have--the signed agreement to go through Labor Day--they can have a person that is acceptable to us fill in their place, their work schedule. Then they get the bonus. And, we have suggested, and our personnel people have done a good job of suggesting this --we have a lot of parents come in and finish things for the kids. And, we find it's excellent public relations. We have fathers that work odd shifts downtown come in and take a ride shift for the son; or we've got mothers in the popcorn stands and different stands and food operations all over the place.

MR. JOHN DIXON: A different twist to the bonus was presented at a round-table discussion the other morning. A New Jersey Park pays the bonus directly to the college as a tuition payment or fee payment, if this is the desire of the individual. If they're a non-student, they have the option of taking it as a cash bonus. It has quite a bit of an impact.

My personal feeling on bonuses is at the end of the summer they've made about the amount of money that they anticipated; they are tired; and it's not enough money to make them stay, if they were not going to stay. You're rewarding a person who would have been there without it anyway. So, I don't think the bonus makes a difference.

MR. C. S. MACDONALD: The gimmick that we were thinking of using, and we may eventually, was coming up with a bonus scholarship plan, using the same type situation. They would have to stay with us through the season. And, the bonus to four or five of them would be scholarship money for their schooling. The only thing we were not able to ascertain was how we could decide who would get the scholarships.

MR. ROD NEWBERRY: We don't use a bonus system at Worlds of Fun. We're not really convinced that the bonus will actually do what it's intended to do and that is to keep the ambassador for a longer length of time.

We had a pretty active recreation program this last summer. We too had softball. We had about 250 kids involved, both boys and girls. And, each department had at least one team. Some of the larger departments had two teams. Management had a team. Won the championship, as a matter of fact. The kids were pretty upset about that. They said, "Well, come back next year and see if you can do it again." But, we had such things as trips. We took our kids to Six Flags Over Mid-America, Silver Dollar City. And, we had a tennis tournament. And, at least once a month we had a party with a good band for them and food and would open up a couple of the rides. We also had a major entertainer. We had Ray Stevens do a special concert for the kids after he was at the park and did a concert. It was very, very well received by the ambassadors; and we hope to do that again next year.

And, we've got some other things planned for next year; but we had a pretty active recreation program. And, we have a lot of involvement. And, it went over real well with the kids.

CHMN. POTTER: At Riverside we tried a bonus system much like the ones discussed here and realized that it didn't work. The kids didn't stay, didn't care about the bonus that they were going to get. Some of the bonuses reached to about \$100; and that didn't matter to them at all.

We found that--we had two parties this year, one in July and one about four days toward the end of our season with a rock band and free beer and wine for the employees. And, the free beer and wine to the employees tempted them a little bit more than the \$100.

MR. BILL ZIMMERMAN: There is a legal question about bonuses. If the bonus is earned by the day, you check in your state law, because it's money earned; and you can't deprive them of that bonus if they leave one day ahead of time. If they worked 99 days and they have to work the 100th day, there is a legal question there.

MR. HARRY BATT, JR.: All of you gentlemen up there seem to have forgotten to tell us all about what kind of base wages you pay.

MR. JOHN DIXON: The State of Wisconsin just put in a minimum wage as of the 1st of July of \$2 an hour, as of January 1st it will go to \$2.10. There is no minimum wage for the male employee over 18. Eighteen and under is \$1.60. We get into trouble with sex discrimination if we don't pay the men the same thing we pay the ladies. So, as of 1 July our entire wages were skewed up from \$1.85, because our senior employees were making about \$2.05 an hour. So when you bring the base of the first year employee to that, then that raises everybody else.

MR. ROD NEWBERRY: At Worlds of Fun we had \$1.70 base, and rehires were \$1.80.

CHMN. POTTER: At Riverside our base this year was \$2.10 an hour; and Massachusetts has raised its minimum wage effective January to \$2.30 an hour. So, our base rate next year will be \$2.30 an hour.

MR. WILLARD MASTERSON: We stay about a dime or a little more over the Dells' rate. This is what we were last year, and we're probably going to do about the same next year.

MR. C. S. MACDONALD: We basically don't have any hourly employees. Most of our employees are paid by the day. We do have one division that is paid hourly and they were paid \$2 an hour. The daily rates vary from \$12 on up, depending on job classifications.

MR. THOMAS SPACKMAN: I'd like to direct this to Mr. Masterson. First, I want to give you a little brief. We had an organizer for the clerk's union come in and pass out his cards. And, the only thing that saved us was in '74 we had enough foreign students working. So, I think he took a look around and threw up his hands.

But, I want to ask Mr. Masterson if your attorney said anything about what's the chance if they move in on you of getting an attorney and just getting them to strain this thing out. It would seem to me that it might die come Labor Day, if we played it right. Because, it's a short season anyway. And, your help turns over 50%. It couldn't be worthwhile, I would think, from a professional organizer's point of view. I just wondered what your comments were on that.

MR. WILLARD MASTERSON: Yes, Tom, that's exactly right. The amounts they could make from organizing an organization like ours or yours or any of our seasonal employees is difficult, because they could not get union fees for the rest of the year. But, the union was hungry for members. And, they had a quota that they had to raise, from their international office. And, they would take anybody.

Just about the same as we do in August. You know, you'll take anybody.

You can string it out. But, they know that too. The man that's doing this organizing, he's been in this a time or two. And, he will go to his friend that is doing the intermediary work between us and say, "Hey, hey, they're giving us this. They're delaying us. We want to do it tomorrow morning at 9 o'clock." And, do you know what time the meeting will be? Tomorrow at 9.

A VOICE: I want to ask Mr. Masterson, I believe, this is about strikes and unions. As far as drawing it out, even if it's dead one year, it might come back the next year with somebody to organize in the beginning. So, it could be employment treatment or anything else. I want to know what you learned from your encounter, because there could be sentiment, because young people --

MR. WILLARD MASTERSON: I don't know what to tell you, except we try to watch as close as we can. I agree 100%. Milwaukee is a strong union organized town, exceptionally strong. And, I would say that 60% to 70% of the students come from a strong union household. So, yes, it can come back. It didn't come back last year, however; and so we have one year under our belt. But, the lawyer told us that it can come any time; and they can start the same negotiation again after being dropped once.

A VOICE: Have you organized any programs to improve your employees --you know, the area to make it a more pleasant atmosphere?

MR. WILLARD MASTERSON: We did nothing different than we did before. In fact, I would say that we were exceptionally fair with our employees and our kids. And, this was not the point. If you do a little research into unions you will find that the great strikes and the great organizing does not happen when the person is exceptionally downtrodden and depressed. It's when he gets quite a bit. Then, he comes and organizes to get more.

MR. JAMES SEARNS: This is a question for Mr. Newberry. When the park is open seven days a week, how do you schedule your softball league?

MR. ROD NEWBERRY: We schedule our softball league Monday, Tuesday and Wednesday evening. And, we can play four teams each evening.

MR. HARVEY HOFFMAN: We hire most of our people as entertainers. In other words, a lot of what goes on are live shows. And, when these people aren't doing live shows, oftentimes they have other duties that keep them busy. Now, these are talented people; and they are hard to replace, because you can't just walk up the street and hire somebody who can sing and dance or do magic tricks. I'm wondering what is the pay scale that other people use for entertainers, and are there any additional benefits that entertainers get in other parks?

MR. ROD NEWBERRY: I believe our live show personnel, entertainers are \$3.05 an hour. As far as extra benefits, they do derive the same benefits in terms of parties and other recreational activities as the other ambassadors. They do get a bonus. There is a bonus keyed in there. They are the only people that do get a bonus.

MR. JOHN DIXON: At Fort Dells most of our employees are entertainers also. We have our bad guys who take part in our holdup and our marshalls who are the good guys. We have singers. And,

we have performance contracts with each of our entertainers in addition to his hourly wage. And, as far as special treatment, our most famous character is Black Bart; he's the bad guy. He's in charge of restrooms and the storekeeper as well as being a bad guy. He plays Santa Claus at Christmas time.

A VOICE: Do you have any sort of general policies regarding raises, such as people returning getting automatic raises at the beginning of the season or a mid-season raise to help boost morale or something like this?

CHMN. POTTER: At the rate that the minimum wage has been increasing, they get a raise every year that they come back.

MR. ROD NEWBERRY: Our rehired ambassadors get a dime raise over the base rate.

MR. JOHN DIXON: Ours depends on the individual concerned.

MR. WILLARD MASTERSON: Our rehireds get a dime. But, if a young person is doing an exceptionally good job, then their supervisor recommends a raise; and we give it to them.

MR. C. S. MACDONALD: We also are faced with the situation where each year things go up. So, there is that more-or-less automatic type of thing at the beginning of the season if they return. If there is to be a raise, it's usually done by means of changing job classifications, move up in the department, stand head or whatever.

A VOICE: Another union question. We hire 16, 17, 18 year olds. Is there any age consideration in this? Will they organize 16 year olds? It's a whole new thought to me. I just wondered.

MR. WILLARD MASTERSON: Yes.

A VOICE: May I ask a question to the panel in regards to distribution of ride tickets, booth tickets and also discounts on a food cafeteria type operation.

MR. C. S. MACDONALD: We automatically give two complimentary books of ride tickets to our employees with every paycheck. They are entitled to purchase reduced rate refreshment tickets which they must use themselves. They can't have their reduced rate to their family. They can the ride tickets. They are also able to purchase for the cafeteria a buck meal ticket, which means they will pay a dollar for a meal instead of \$2.50 or \$2.25.

A VOICE: I got in here late. In Ohio the law says you cannot operate a major ride under 18 years of age. If there's a motor on it, you cannot employ anybody under 18.

MR. WILLARD MASTERSON: And, Wisconsin may be a little tougher. You can't touch a ride. You can't touch a lathe. You can't touch any machinery, anything that could possibly hurt you in any way until you're 18. But, you can work from 16 on in the food service.

A VOICE: And, you're liable for triple damage, if you employ somebody under 18 years of age.

MR. WILLARD MASTERSON: Yes, that's very true. And, I'll go on with the ticket thing. We work POP. We give four a month to every employee. And, we have two family nights a year. Early in the

spring before the park gets going real good we take a Friday night and have a family night and invite all of the families, the employees' families. And, you're liberal with the tickets, you know. If they come in and ask for 50, you know they don't have 50. But, if they want some for a grandchild or something, an older person, you let them have it. And, it's very interesting. They'll come and have a real good time. And, we'll bring two or three thousand. They'll come in and make it a good evening for you. Actually, you don't lose a cent on it, because they come and have a good time, and they eat and drink.

MR. JOHN DIXON: An interesting experience on the discount with our food service. Three years ago the food service was leased out, and they refused to give the employees any discount. After two years of animosity between the employees and the food service, we now have a 20% discount with our food service.

CHMN. POTTER: At Riverside we have an employees' cafeteria where the employee can go and get cold-cut sandwiches and soda. In an employees' area we have a soda machine that the individual can buy a can of soda at what it costs the company. And, each month the employees can bring their immediate family to Riverside as a guest.

MR. ROD NEWBERRY: At Worlds of Fun we have a food service where they can purchase food at cost plus 10%. The ambassadors are allowed to bring their families once each year after 30 days of employment. And, their I.D. card allows them to come into the park any time they are not working and ride the rides.

A VOICE: Early in the conversation one of you gentlemen mentioned that your employees have to sign something when you employ them in the beginning of the season. Do you do this with the employees under 18 years of age as well as the ones over?

MR. ROD NEWBERRY: Yes, we recognize there's nothing legal in the signature. It's just something that you can use to perhaps bargain a bit with the individual. You can haul out the letter of intent or whatever indicating that they have agreed to work through such and such a date. We recognize the fact, you know, if they want to split, they can split. There's nothing we can do about it just because he signed the statement.

MR. WILLARD MASTERSON: I think I mentioned the same thing. However, we send them home and have the parents co-sign them; so the parent knows what's going on and what's expected of the youngster and what the youngster can expect to do.

MR. THOMAS SPACKMAN: I've got a little different question. By the first of July or so all of our people know each other; and we have a tremendous problem with giving things away. The food stand operators feed the ride operators; and the ride operators ride the food stand operators and vice versa. Do any of you on the panel have any suggestions as to this problem?

MR. C. S. MACDONALD: We just went through a revising situation with that very problem. In '74 it was rampant; in '75 it was almost nonexistent. It's almost impossible to keep the food stand operator from taking a handful of popcorn or a soft drink. That you can live with. But, when they hand them out over the counter to, as you mentioned, the ride operators and everyone else, your patrons start to get a little shook up as well as your pocket book. So, our employees must use their employee refreshment ticket. They must purchase their items from in front of the counter.

A VOICE: Let's get back to the tickets. We distribute tickets. Do you have any occurrence where your employees are selling tickets outside at reduced prices?

MR. C. S. MACDONALD: We've found that with complimentary ride tickets, with refreshment tickets only an employee can use them; and they must wear their name tags.

A VOICE: I'm talking about rides.

MR. C. S. MACDONALD: Yes, rides are almost impossible to stop.

A VOICE: Any of you gentlemen have problems with trying to get your employees to set up rules that no smoking or eating are permitted while operating rides? Is there anything in the legal law against that? We've had them come back to us and say, "You can't tell us what to do; no smoking, no eating." Tell me something about that, please.

MR. ROD NEWBERRY: I'm not a lawyer, but I'm not aware of anything from a legal point of view where the employee can force you to allow them to eat or drink on the ride. We have rules and regulations in our park that stipulate that this cannot be done. There are break areas or the cafeterias where they do this. They're also not supposed to buy items from gift shops or this type of place while in uniform. It's part of the image that we try to project that goes along with grooming standards and this type of thing. It's outlined in their handbook. This is something they're not supposed to do. And, I've found that they're pretty good about that. They won't blatantly break that rule.

MR. JOHN DIXON: Of course, we're a much smaller operation. But, we don't have as many rigid rules as most parks do. I find that the minute you put a fine line down there that you will be challenged. And, we try to handle each individual situation. Like in dress code, hair styles, I began to realize that I'm the one that's out of place with the short hair. The long hair is in, and my kind of hair is out. So, we're flexible.

MR. WILLARD MASTERSON: We're about the same way. We have rules about the length of the hair and so forth, and I think the hair is longer. There's no doubt about it. This is the hairy generation.

MR. C. S. MACDONALD: That's probably our biggest bugaboo--dress code. We do have dress codes. We do have rules and regulations that are written up and published in handbooks. Also, as far as hair is concerned, you either conform or you don't have a job. It's put to them that bluntly in orientation. You have a picture by the personnel office that shows just how long your hair can be, and that's it. I don't agree with the handling of individual situations. Once you make a rule and you make an exception, you might as well throw the rule out. And, what's good for one person who might look good in fairly long hair; the next person may not. And once you've let one long, you've got to let them all long. So, we keep a very strict dress code. And, the last year or so it really hasn't been that bad. Once that it was explained to the students especially that this was to portray an image, we didn't have a big problem with it.

CHMN. POTTER: At Riverside we brought a barber into the park--to give everybody a haircut. He comes in once a week for about three hours and does about 20 haircuts. The employee pays part of the price and the park pays part of the price.

A VOICE: From the legal point of view, as long as your conditions to employment are precedent to hiring, you have no problem. If, in fact, you hire someone without that knowledge and then employ the rule, you have difficulty. That's the case of the school teacher whom you hire with short hair; and in the middle of the semester he grows it long; then you tell him to cut it. If it's a condition precedent, you have no problem. So, published handbooks are very handy. You hand them the rules. You say, "This is a condition precedent to your being hired. If you will not comply, you will not be hired." And, it is discriminatory. You can't discriminate because of race, color, creed or sex but you can for haircuts or for any other rule of neatness dress code that you have.

MR. ROD NEWBERRY: I disagree with you. If you stipulate that a fellow's hair has to be shorter than a girl's hair, you're getting into the area of sex discrimination, because we've gone through that. And, it is determined to be sex discrimination. We never did tell them that it had to be shorter than a woman's. We showed them a picture like Scott does and said, "That's what it's got to look like; and we'll do that too."

CHMN. POTTER: Yes, but did you show them a picture with a girl with that sort of hair?

A VOICE: No, but the Massachusetts Labor Board backed us up. They went to the state and said, "That's discriminatory." And, the rather conservative labor board said, "That's right; but you can't have long hair."

A VOICE: Opryland and Disney World went to court and won on that same basis. If the condition is precedent, if they know before.

MR. C. S. MACDONALD: The only thing we do with our employees, what they have to sign is on the bottom of the application that they will comply with the dress code and regulations of employment. And, they are told when they are interviewed if they don't care to sign it, if they don't care to have their hair cut, "Thank you very kindly. We hope to see you when you change your mind."

MR. WILLARD MASTERSON: I've got one question--one remark on this. Last year, yes, we could do it. We had lots of people in our area. We were in a recession. There were all kinds of people that you could pick out. But, if we ever get back, a factory will take a youngster, a college student, for instance; and for a summer deal he'll get \$4.50 or \$5 an hour in the shop. And, if road construction goes back to what it was three years ago, all of the boys, every one of the boys will be out working on the highway construction or building a building as a laborer type thing. So, the state of the economy will dictate to some extent how long their hair will be.

A VOICE: I'm from Adventure Land in Addison, Illinois and just last year we were called in on this situation. I'm glad to say it was the previous management that did this. But, a fellow came in and interviewed with his hat on, if you can imagine that; and the next day he came back to work; and he had real long hair. Nevertheless, they made us take the picture out of the handbook. I'm glad to hear the rules are changing. But, someone mentioned here that as long as you have a picture, you're safe. We were told one thing, among other things, that we had to take the neatness picture out of our handbook.

A VOICE: What do you do about personal relief for your ride oper-

ators?

MR. ROD NEWBERRY: We have restrooms for them. Seriously, they're scheduled 15 minute breaks for each shift plus their lunch break. If there are any complications or problems, there are regular people who will relieve them on a required basis.

A VOICE: The reason I say that is that we have one extra hand for every five lines; and he would do the relieving.

MR. JOHN DIXON: We have a 15 minute break before the lunch break.

A VOICE: I was wanting to ask about uniforms. Do you make the employees purchase the uniforms? Do you buy them back? Or, how do you handle the uniform situation?

MR. JOHN DIXON: All the personnel at Fort Dells are in uniform. The Fort provides the employee with the uniform, two sets. He is required to keep them in good presentable condition. And, they are turned in at the end of the season. If they are not, then they are billed for the uniform that is missing.

A VOICE: Do they have a deposit on the uniform if it is torn?

MR. JOHN DIXON: Nothing other than if it is not returned, they pay for it. But, if it is returned in no matter what condition, they're all right.

MR. C. S. MACDONALD: We provide uniforms. We give them seven sets. We launder them for them. If they are damaged, there is very little that can be done. If they don't turn one in, they are responsible for it.

MR. ROD NEWBERRY: We have a very similar system. They're issued uniforms free of charge on an exchange basis. Each day they are issued a clean uniform. They hand one in and get one back. There is no charge for this except in the case that they don't turn a uniform in like at the end of the season or when they terminate or whatever; we charge them for it.

CHMN. POTTER: At Riverside we withhold a deposit from them. It's a deposit that's withheld weekly for five weeks. Then, if the uniform is not returned, they don't receive their money. If it is returned, then they get their deposit in the mail.

MR. ROBERT PLARR: Does anybody on the panel hire 14 and 15 year olds? Do they work out? And, in what job areas?

MR. C. S. MACDONALD: I wish we didn't have to. Once in a great while we get into a 15 year old. And, about the only area we use them in is the food service department as an extra. And, surprisingly some of the 15 year olds will work a lot harder than a 20 year old.

CHMN. POTTER: It's been our experience that if we hire a 15 year old or young person, the labor laws are so intricate regarding their working time, that it would be a scheduling nightmare to have to put them in for three hours and let them go home and get somebody else to take their place. We try to hire everybody who is over 18 who is exempt from any special labor law.

MR. ROD NEWBERRY: We don't hire any 15 year olds at Worlds of Fun because of some of the things that Irv was outlining. The rules,

regulations and stipulations and limitations of the 15 year old is too much to hassle with.

MR. AL YODER: I want to know if you have any trouble with your students wanting to leave on vacation during the summertime with their parents and what do you do about it?

MR. JOHN DIXON: We do not.

MR. WILLARD MASTERSON: We do. It's very difficult if the pressure comes from the home. And, they want to go on vacation. That's probably why we put in the bonus; to try to avoid it. We don't want them to go.

MR. ROD NEWBERRY: We have a vacation policy that I would dare say hasn't worked out to the best. Two weeks--after that, if they're gone longer than two weeks, we terminate them. But, it hasn't worked out for the best; and we're taking a look at that for next year to see if we can come up with a more equitable plan.

A VOICE: I'd like to direct the question to one individual, the gentleman from Riverside Park. I believe you mentioned that you take money out of the employee's check and withhold it for the uniforms. Is that correct? Being from Massachusetts myself, are you aware that the telephone company has to pay a percentage of interest on any deposit of telephone? Have you been confronted with having interest being charged for something like that while withholding money?

CHMN. POTTER: No, we haven't. Over a three month period the interest on the amount we withhold would be zero. Banks can keep interest on anything under \$10.

A VOICE: It depends on the percentage.

A VOICE: What about the rehearsal time for performers? Do you pay full wages for this or what?

MR. ROD NEWBERRY: By rehearsal would you mean orientation and this type thing?

A VOICE: I guess that would fit into it also possibly. But, such as for performers you go through about at least a week of taking up quite a bit of their time in rehearsal for the show. I would imagine at Frontier Land, if you're heavy oriented toward entertainment, you do this.

MR. ROD NEWBERRY: I'm not from Frontier Land. But, I know for orientation training and that type of thing for people other than performers we do. I would guess that for performers we do. I do not really deal that much in the area of performance. Our director does his own interviewing and hiring and things of that nature. But, I would dare say that we would.

MR. JOHN DIXON: The majority of our performers are all regular employees and are on an hourly wage. They have a performance contract; and on their own they're expected to bring that to the quality that we ask them. That's part of their performance contract.

A VOICE: Could you explain the performance contract a little more?

MR. JOHN DIXON: Well, it depends on how long they've been there.

It's a contract between them as an individual and our corporation that they will be paid so much at the end of the year for a certain number of shows or days or a certain number of hours or whatever it may be. And, it varies from \$3 a day to \$15 a day.

A VOICE: Do they get the amount for this contract if they leave before the season is over?

MR. JOHN DIXON: They get the amount for each performance. It's on a daily basis.

CHMN. POTTER: Are there any further questions? If there aren't anymore questions, thank you for your time and interest. This workshop is now adjourned.

... The workshop adjourned at 4:30 p.m. ...

ENTERTAINMENT WORKSHOP

SATURDAY, NOVEMBER 22, 1975

SOUTH BALLROOM

The Entertainment Workshop convened at 8 p.m., Walter Heeney, Amusement Business, Nashville, TN, presiding.

CHAIRMAN WALTER HEENEY: My name is Walter Heeney. I'm publisher of Amusement Business. The first speaker tonight is John Palmer. He currently runs the National Speakers Bureau in Lake Forest, IL. But, he's had a very varied background in the entertainment business. He is a former band leader and booking agent and has worked in all facets of the business. Just recently he's gotten into the convention and audio-visual end of it. I think he's got some interesting stories to tell us in terms of how you can use some of these aspects by providing entertainment in your park. John.

"Promoting, Selecting and Creating Your Entertainment"
by

John Palmer, National Speakers Bureau, Lake Forest, IL

MR. JOHN PALMER: Our National Speakers Bureau represents about 60 of the top business entertainment humor speakers. We usually go out and service our speakers, and I've learned quite a few things about the speaking business and the tricks of the speaking business and how to work to a large audience. Many times people know a subject, but they can't deliver it. So, knowing it and not being able to deliver it is like not knowing it at all. Many times a speaker thinks, "Well, why should I tell the audience this, because I'm sure they know it; they're pros." But, we find that reviewing many things that you probably know might bring a spark, a creative idea from one sentence from the speaker to you.

A couple of areas that we have been involved in with parks and other amusement areas and have proven very successful have been using non-name groups where you don't have a big cost, so you can spend a little more money promoting that specific event. Using local talents, let's use an example of the Omaha-Lincoln, Nebraska area. There are some excellent musical groups there. We did a promotion, and we had a regional rock contest. We had X amount of dollars for the promotion and we had a major label that would do

one record. That was the grand prize. Plus, we got some of the suppliers to come up with some money. We started auditioning rock bands. We ended up with about 35.

Now, bringing these concerts into your park could be successful in this respect. Every rock band will bring in a lot of girlfriends and a lot of parents. And, nobody gets a free pass to get in, except the participants in the contest. They paid to get in. And, we developed everything; and it got to be very, very successful. So, consider using local acts, local rock acts. Have a contest, and have a couple of major prizes. Your major prizes are your stimulants to these people. Don't just give them money, but something that's unique, a personal appearance somewhere, national exposure. You can get them on a t.v. show quite easily today, because t.v. shows are looking for acts, if you know who the talent buyer is. Never go directly to the act. Always go to the talent buyer of these things.

Another area to consider is ethnic days. Every town has a Polish American group, A German club, etc. And, you can do quite well in developing a one or two day ethnic program, dancing, bands, music, etc. You can have music festivals, rock concerts, polka festivals using local talents. Those are just a few ideas I want to throw at you.

But, now let's talk about one of the newest forms of entertainment a park can do; and the cost when you advertise it is very, very small. Let's talk about audio-visuals. The people sit home watching television today and are exposed to sometimes \$100,000 to \$150,000 worth of talent and production in the one hour show. So, if they go out, they want to be entertained. And, producing conventions, we don't just have a room, turn the lights and have a meeting. You've got to dress it up. You've got to fly banners. You've got to stage it. You've got to make people enjoy themselves. People are used to production.

Now, some ideas in the AV area are salutes. Consider saluting an area. As an example, we are now working with one organization out of Peoria, Illinois. We're doing an audio-visual for them saluting the organization, its history and the history of that area and the history of the United States. You can get that written by, again, suppliers; and many suppliers are very happy to give money to something where it's patriotic. You wave the flag, and they get a credit line at the end of an AV presentation. We're doing one for the National League. Next year is their 100th anniversary. And, we're taking historical facts that happened in the League and not just going, "This happened in the League; that happened in the League." That's nothing. That's just PR, and nobody will buy it. But, we're tying it in with history. The first National League baseball game was played out east the same day the historical event was Custer's Last Stand. That makes the National League mean a little bit more when you apply it to an event such as that.

There are many parks that have been around a while and have a fantastic history. You can develop your own audio-visual presentation. It's not that expensive. I would suggest you consider something like that.

We are working in various areas putting together entertainment packages. Every park has a lot of employees. Have you ever considered getting some of these employees into a musical number, a musical group, something of that nature where you can use your

in-house people?

A couple of parks in the Lake of the Ozarks are doing the same thing. I'm sure you've heard about Junior Mile Grand Ole Opry Reviews. That's another area for you to consider. Now, if you want to spend money in buying name talent, you can. But, there's some new tricks in union contracts. We were going to have someone here from the AF of M. He didn't show up, so I would like to tell you a trick to use. I'm an old AF of M man myself, and I used to be on the other side of the fence. But, now I'm on another side. So, I have learned something.

When you sign a contract for an AF of M talent, a musical group, a band, etc. be sure you put a cancellation clause into your contract. Many times an agency will tell a buyer that, yes, you could have so and so; we'll send you a contract; you sign the contract. The minute your name is on the contract you're committed for the dates.

Now, there's an old trick that's not done too much. But, it's theory is that you don't get your contract back; and you cannot go out and book those dates, because your name is on the contract and you're committed. You can make a lot of noise. You can call. You can scream. But, your name is on the contract. And, it would take a lot of money legally to get out of it. So, if you put a cancellation clause, a time clause on your contract--let's say your contract is issued on November 1st to you; you sign it; but in the contract you put in the clause, "Unless this contract is completed by the employer and the performer by December 15th and returned to me, so-and-so, this contract is null and void." So, after the 15th of December, you are completely clear to go out and look for talent for that period. You don't have to sit wondering because you signed the contract, "Am I going to get nailed? What if they call me three days before the date and say, 'Look, I'm sorry; so-and-so is not available; but we've got a good act here for you, so-and-so," which is a no-name act. But, by then you're in such a panic you take them. Consider this cancellation clause if you do a lot of booking. Get a rubber stamp made. I know of many parks, many ballrooms who do this. And, really if it can save you one panic in a year, it is really worth it.

On the selecting of talent, every park, every locale has its own situation, its own problems. One park's success cannot be another park's success. We used to travel and play shows and play at parks. There is a performer I don't know how many of you know; but I know him well; so I hope you can relate to this story. A gentleman by the name of Al Morgan was very big a few years ago. He used to play piano, a great show. Al Morgan was a smash in two cities in America, Pittsburgh and Chicago. You couldn't give him away anywhere else. Nobody knew what a freaky thing this was. So, some operators figure, well, if Morgan is so good at these parks, we're going to play him in our parks. So, he went out and did about two months of parks and bombed in every one, because he was only hot in certain areas.

It's very important to read the trades to see who's hot and who isn't. But, there are some specific areas, some specific interests. I remember when Bobby Vinton first started as a band leader. He used to work the Steel Pier, and he was quite successful as a band leader. All of a sudden he just dropped his band and started singing. And, if you're familiar with Bob, his career held up for a while; then it took a complete nose dive. And, through some smart management they came up on the idea of let's

start selling his ethnic background. Today, Bobby Vinton, as you know, is a \$10,000 to \$15,000 a night performer. He does concerts. Three years ago Bobby Vinton was working for \$2,500 a week.

Considering all these various elements in booking the right talents, selecting your talent is very, very important; and if you don't do it properly and consider all of the angles, you can hang yourself and lose a lot of money.

We were doing a tour with Andy Williams. He was very hot. He had the Sunday night t.v. show. And, we were doing well all over until we came to a place called The Corn Palace in Mitchell, South Dakota. Everybody expected that this was going to be another great engagement, because Lawrence Welk was there before; and Welk did capacity business for, I think it was 16 shows in seven days. Andy Williams did about 35% for a week, 35% of capacity. But, Andy Williams was a big name. But, up in the Mitchell, South Dakota area Andy Williams did not mean anything. So, in selecting your talent, you must consider your area, what's hot, what isn't hot, what's your ethnic mix, who comes to the park, etc.

This afternoon I talked to a gentleman from Allentown, Pennsylvania. He's doing something I hope more parks will do. He's going out and soliciting industrial work. He's also doing something with AV that not many parks are doing. You know, one picture is worth a thousand words. It could be worth 5,000 words. If you're out soliciting local business, put a couple of your good pictures on slides. You can do a complete story of your park. Bring in a slide projector, 15 or 20 slides and talk to the people and show them; and you can romanticize your park. I have seen many people get contracts on the first interview, because you grab the people; and they see what a beautiful facility you have. Your words don't say it, but your pictures can.

There are many other areas that can be covered. I would like my cohort here to discuss his areas. Then, if you have any questions in visuals, the selecting of talent, I would be very happy to tell you what I know about it. Please, consider audio-visuals. This is an area that many parks are going to get into. In fact, there are some parks that are now building specific buildings for audio-visual shows. Next year with the bi-centennial naturally you've got yourself a great theme. Later on you could go into other areas. You could go into the area of industry. Industry will underwrite you. In Peoria, Illinois, industry is underwriting a big promotion on the great things that are being built for the World Market coming out of Peoria, and that's going to be used at the Peoria Fair for a ten day run in July.

Slides are very cheap to make. And, the difference between slides and talent--slides don't talk back to you like talent does. Thank you.

CHMN. HEENEY: Dennis Condon, who's entertainment manager of Magic Mountain the past three years, also has a varied background. He worked previously for Disney on Parade. Dennis is going to tell us about Magic Mountain's use of discotheques and some of the other things they do there to draw crowds out of the greater L.A. area.

"Our Discotheque Program"

by

Dennis Condon, Magic Mountain, Valencia, CA

MR. DENNIS CONDON: Thank you, Walter. I'd like to comment briefly

about some of the things John said; and I think it related specifically to my subject matter of doing a discotheque in an amusement park and especially in the Los Angeles market. And, I'm sure it would relate to other markets as well.

You have to find things that you can hop onto that are hot and current and exploit to their fullest extent. And, he mentioned ethnic promotions and themed promotions. We do a lot of those and try to keep an eye on things that are going on so we can find a way to get a new impact with something that might have a contemporary appeal.

I've been watching the disco area of entertainment for a long time, particularly in the Billboard--Cashbox areas to find out what's going on. Discos were a trend I think in the '60's. And disco, to explain as a simple term, is the playing of records for dancing. And, right now it's become a fad. It's become a very trendy thing to do. So, we were watching those areas very closely and wanted to find out what impact discos would have at Magic Mountain. And, in watching that area very closely, we found there were a lot of discos in the Los Angeles area that were becoming very, very popular; and motels and restaurants were going away from live entertainment, mainly because of economics, and getting a disco involvement with a very loud sound system and a very psychedelic lighting system and just bringing people in for dancing and charging you a cover charge and a heavy drink tab. I would go down there a lot and watch it very closely on site.

So, we thought we'd try that at Magic Mountain. One of the things we do at Magic Mountain is we have the format of celebrity entertainment where we do large, big names in a large amphitheatre; plus we have a lot of bandstands and entertainment packages that we call atmosphere entertainment. We provide a little area where people can be entertained by different types of groups or formats that they can pass by as they go through the park. So, we thought we'd get together in an area with a disco presentation. And, we got one particular area at the front of the park that we'd never had any success in presenting anything yet. We'd tried everything from a single, to a big band tour, to a comic, to a puppet show; and there's no way we could draw anybody inside this facility in the evening. In the afternoons people coming and going there would seem to come in to see an animal show. But, at night we couldn't do a thing. So, we thought we'd throw a disco in there. It was very cheap; didn't cost a lot of money. And, we could bring it in very quickly and take it out if we needed to.

And, the way we did that--we contracted with a portable disco, so we didn't have to go into expending a lot of money on the technology and buying equipment, you know, on a permanent basis. There was a girl in Los Angeles that would do discos at some of the parties with record companies. And, she would come out for \$200 a night and put a show on for as long as you wanted, generally eight hours, but we only work for four. So, we brought her in in July and added some psychedelic lighting to the facility to see what we could do and did a test in early July and another one about a week after; and we found that it was a very successful environment for dancing. The people seemed to get into the dance environment, the psychedelic lights, the whole thing; and it became very popular.

We also had another dance facility with live music on the other side of the park. And, we were a little concerned that we might be taking away from that attendance or some of the people

that were over there. But, it didn't seem to happen. Both areas seemed to maintain a good audience. I think it was different types of dancing. On one side of the park we had more of an electric mood band; and the disco band, R & B type thing. So, we had a test that worked. We wanted to try and exploit the disco scene at Magic Mountain. The first thought I had, being a little bit pushed some times for justification of entertainment when you do not have a dollar figure at the gate, was to find a way for the disco to provide funds. And, I thought if we could use an advertising approach and solicit someone to give us cash for corporate sponsorship for the disco; and the first thing I thought would be to use it as an advertising technique to create some kind of motif for an impression as people went by the facility that had a label to it, whether it be a record company or a manufacturer of soft drink. And, that impression twice a day or three times a day could be generated in terms of advertising philosophy. But, it didn't work very well. No one seemed to want to buy in to just hanging their signs on the front of the facility to walk back and forth. I think it would on the long term. But, on the short period of time it didn't work.

So, we thought we'd have to go another way. The second thought we came up with, to use it as a promotional vehicle in terms of the format that it was. And, discotheques are now being used to break records for major acts. And, record companies go out and support a disco in terms of product and also in terms of promotion and in terms of some dollar value items and some giveaways. So, we went and felt the first thing we should do was to get a radio station to support the facility. It just so happened at that time K100 FM in Los Angeles was running a disco program on Sunday night from 10 until I think 2 o'clock. We went to them and sought out their experience in discos to see if they would be interested in co-promoting our disco along with it. And, they were interested as long as we would buy a radio schedule on their station. And, we had already planned to buy a schedule on their station; and we found it was an easier way to justify buying it sooner, to get involved in the disco. So, K100 got involved; and they wanted to sponsor the disco. So, we bought a contracted schedule with K100. We called our disco Disco 100. We provided two signs, one a lighted neon sign and another sign as a backdrop, which gave them recognized exposure. And, our deal was that they would give us promotional spots and bonus spots along with the contracted schedule we bought. And, it would give us equity in carrying on Magic Mountain's Disco 100 as part of the environment for their disco shows on Sunday night. So, we got the radio station involved.

And, so, the second thing we thought we could do was to go to record labels and see if they would provide some funds for some kind of promotional interest in the disco. And, we used the radio station as an entrance into the record companies. And, discos were so hot that they jumped at the chance to get involved. And, I say that they jumped at the chance. Putting on celebrity entertainment in an amusement park, we all attempt to get record company involvement. But, very seldom do they allocate a lot of funds to promote their artists in amusement parks, because generally they're more interested in concerts and in-type clubs. So, we've not had a good background in getting money from record companies to co-promote their artists in our facility. It seems like the disco hit some kind of promotional bone in their organization; and they were very much ready to get involved. So, we developed the concept called the Record Label Week whereby the radio station had the ability to sell time to the record label by providing promotional

space at our facility; and we would provide a big label and call it Motown Week; provide mobiles and different types of display areas where they could set up their product; along with featuring their product in the disco program and their product in give-aways and dance contests in the disco format. So, what we ended up with was co-promotion with the radio station and the record companies all providing extra bonus spots and promoting Magic Mountain's Disco 100. And, it worked out pretty well and even got to the point where the labels were very much interested in bringing out the artists to make personal appearances and judge dance contests and sign autographs.

An interesting fact that we found out, the record companies were not only interested in supporting Magic Mountain at Disco 100 on K100; but they also bought schedules on other radio stations. So, with a small investment of our disco we were getting promotional spots by record companies throughout the Los Angeles market on some of the top stations in town. So, we got a pretty good start with the record companies and the radio stations. We thought we'd go one step further.

The radio station was the first to suggest that they have the ability to sell portable Magic Mountain Disco 100 at shopping centers. And, we put together a package. And, we were all in agreement to doing a promotion outside the park in the shopping centers in the area whereby the radio station would sell a program there. And, for a guaranteed schedule from the shopping center or the retailer we would provide Disco 100 in their facility on a certain day; and we would provide dance contests, record album give-aways, bring in the Magic Mountain characters, the wizard and the trolls. It worked pretty well. It was pretty loud, and the dance contests were fun. So, we had a lot of opportunity to promote in that area.

So, in general summary as to what went on in the disco, we took an area that was not able to produce a lot of attendance in terms of an amusement park facility; and we had no idea that it would generate any exploitation in terms of promotion; and by getting involved with a temporary trend or a fad, we were able to provide at a low cost to us in terms of actual dollars spent a very concentrated promotional vehicle in a short period of time.

In terms of the costs, just for an example, once the testing was over we made a long-term six week contract with portable disco; and it was costing me \$185 a night for the hardware which included a jock for programming, the lighting and the sound. Compared to that we were paying more for a live band and performance of a trio. A trio would cost us \$196 a night. And, I got more out of a package disco environment. So, we found that the thing worked pretty well.

We also got pretty good word of mouth from the other discos. We found that people were coming out from the discos in town and referring us to them and that sort of thing. Plus, we generated a lot of publicity in some of the trades and some of the local journals and newspapers in town. And, what it has done for us in the last six months of the summer season, it's conditioned us to prepare to do the same thing again next year on a larger basis, I think, and hopefully getting more involved with better technology in terms of audio systems and visuals and better promotional scheme on a long-term basis. Thank you.

CHMN. HEENEY: I was wondering, did you have a chance to measure

at all the money spent on promotions? Did you ever put any dollar tag on them in terms of what your return was? In other words, the additional promotion that maybe the record labels did on radio for you or the exposures you got, what it would cost you if you had to pay for it.

MR. DENNIS CONDON: Well, it generated radio time that we hadn't planned on at all. The record companies were required to buy a minimum of 18 spots on K100 per week just to get involved and pushed them generally to at least 24 to 36 per week and hoped that they would push to get on other stations as well. As a basic promotional vehicle in terms of dollars, we were getting 18 to 36 spots per week on the radio station promoting Magic Mountain in general, because we could insert other copy besides the disco; or if we had a celebrity, we could change the copy there. Plus, when we did the shopping centers, we had them buying time on that station. So, we almost owned K100 in terms of exposure for over a six weeks period, plus other stations as well.

CHMN. HEENEY: I'm sure there are some questions on the floor.

A VOICE: Other than all the promotional values what did you do? Was this mostly all in the evenings? Did it increase your late night flow into the park?

MR. DENNIS CONDON: I think it did. It's hard to measure that, because we didn't poll anything at the facility. We didn't take any kinds of research studies to see what came in. The facility maintained a very attractive attendance throughout the entire period. And, we always had a good crowd there, larger than we had ever had before. The dance floor was always full. People were always involved. So, it seemed to have equity in terms of just a performance environment without the extended promotional value. And, we value that pretty highly.

A VOICE: What type area was it? Was it an outdoor area?

MR. DENNIS CONDON: Semi-enclosed, it had a roof over the top, a circular facility. We've used it for every conceivable type of entertainment. It had some success in the afternoons; but the evenings, it just died.

A VOICE: What hours of the night did you operate?

MR. DENNIS CONDON: Till midnight.

CHMN. HEENEY: Did you have a reduced gate, special price for the disco thing along with the evening business program?

MR. DENNIS CONDON: In the evening we had a lot of things happening besides the disco, one of which would be the celebrity show. We were doing two big shows in the theatre at 8 and 10, dancing on the other side of the park with a band. It was just part of the entertainment package for the evening. It provided an alternative, I think, to a lot of people who came out for dancing. We promoted a lot of dancing for the local people to get involved with. It's a place where boy meets girl and has a good time. This provided another area where they could get into a different type of amusement and something that was very current also.

CHMN. HEENEY: I was wondering, did you have any crowd control problems with the disco?

MR. DENNIS CONDON: No, we were fortunate. The facility allowed us, when it got to capacity, no one else could get in; so the crowd controls were minimal in terms of once it got to capacity, once the dance floor was full and once the standing area around was full, there was no way you could get in there. So, there was generally not a lot of crowd problems.

A VOICE: What was the capacity?

MR. DENNIS CONDON: The dance floor was about 350 and standing room for about 300.

MR. LARRY BLUNDRED: Was the disco the only place you were serving beverages?

CHMN. HEENEY: Were you serving alcoholic beverages in the disco?

MR. DENNIS CONDON: No, we weren't. We were going to try that scheme to use as another promotional advantage for the people that went to discos. There aren't too many in town where you can get in if you're under 18. I think a lot of the teen market that we were very heavy in enjoyed the fact that they could experience the disco at their age, 12 to 16, where they couldn't in the Los Angeles area or any other discos in town. We never did it.

A VOICE: I have two questions. Do you think you're going to institute it next year? And, the second question is --

MR. DENNIS CONDON: We're watching the disco scene very carefully. We've allocated some funds to build a better facility. I don't think we'll implement any of the finalized activities until late in the spring. If the fad fizzles out, I don't want to be stuck with a facility with a lot of equipment I can't use, although most of the equipment is adaptable to other performance areas. So, we are waiting till probably March or April; and we'll blitz in about hopefully a 30 day period and get something substantial in terms of disco format. We'll promote a promotional aspect of it ahead of that to implement it at the same time hopefully.

A VOICE: Are there any security problems?

MR. DENNIS CONDON: I don't see any over there myself. I'm an advocate of a free-flowing dance environment where you don't have a lot of security around. Sometimes you can get some pushy people or people who take over the dance floor. If the disco is located in a certain area, you might have. I'm not sure.

A VOICE: That raises an interesting point. Do you have any fights or anything, you know, problems?

MR. DENNIS CONDON: Not at the disco that I know of. We didn't have any security around it whatsoever, just the people who operate the facility. People seem to get along with each other fairly well. At times the audience mix would be a high black participation, and that was no problem whatsoever.

A VOICE: Have you ever tried the disco as a solo, in other words, as solo promotion during your testing?

MR. DENNIS CONDON: We had put together a disco as a solo concert where we would try to do that sort of thing by having two or three large disco acts at the theatre along with dancing outside the disco facility. We were trying to get the guy who did "The Hustle,"

I think Don McCoy and the Sunshine Band. I think Richard Nader is doing a disco concert in New York. I think to do a disco concert you need a facility where you can do dancing. In Los Angeles they have done the Average White Band; they've done KC and the Sunshine Band in the Stadium where they can allow dancing and drinking and that sort of thing.

A VOICE: For the future what do you plan to do? You say that the discotheque may phase out. What do you plan to do? What are you going to do for other techniques as far as entertainment is concerned? What do you see as coming out of it? What do you have planned in case the discotheque falls through?

MR. DENNIS CONDON: I think you have to realize the discotheque is a small portion of our entertainment package in terms of time and effort. It's a very small package. We're specializing our celebrity format for the theatre six nights a week doing big name entertainment. If the disco fades out, I think I'll just adios disco. I'll watch for something else to come along. We're always going to have dance bands. We're always going to do entertainment packages that are contemporary. Disco is just something that we are just jumping on the coattails of a hot item to hopefully, you know, squeeze everything we can out of it while it's here. If it lasts, we'll keep it. If it goes, it's no big loss to me. Something else will come along. As far as what might come along in the future, you know, if I could tell you that, I would be somewhere else.

A VOICE: I'm familiar with your talent package up there. And, I'm curious as to the fact that when you first initiated name talent, was it an immediate success; or did it take a time to build it?

MR. DENNIS CONDON: Are you talking in terms of a chronological--

A VOICE: Right. In other words, the first artist was a big smash. Or did it take time to build up a program?

MR. DENNIS CONDON: I wasn't there in '71 to really experience what happened that first summer. It was a disastrous summer for the park. I think it was a very successful summer for the theatre. Nothing worked in the park, so everybody was in the theatre. So, to really relate how well entertainment did then, it would be hard to say.

I think we cannot under value at Magic Mountain what celebrity entertainment does for our marketing people in that they can do publicity and advertising and extend the exposure for Magic Mountain with that celebrity's name a lot more in our particular area than we can with hard steel and rides. So, we use it, I think, a certain percentage--and I wouldn't venture to say what percentage that would be--as a promotional vehicle to keep our name in front of the people and the need to meet the competition in the area. It does draw people in. How much and to what degree is another problem, because we don't have an accurate way to poll people at the facility itself. My particular feeling is that it's very successful.

CHMN. HEENEY: Are there any other questions? Does anybody have any questions for John Palmer concerning audio-visual usage?

A VOICE: There seemed to be a big reluctance on the part of everybody that's in the AF of M to allow someone who's working talent

on a regular basis to originate a contract. Do you know what I'm talking about? They always originate the contract; and we get it; and we get 18 pages which we cross out and rewrite and send it back; and then it gets returned maybe six months later. And, we're going to start a push to originate the contract.

MR. JOHN PALMER: If the act you buy is represented by an office or a personal manager, you get the contract directly from them. When you say you get the contract from the AF of M--

A VOICE: Well, I'm talking about the manager.

MR. JOHN PALMER: Now, there are so many tricks. For example, we just set Danny Davis and the Nashville Brass for a date in Colorado Springs on the 4th of June. Now, I know that he has nothing in front or nothing in back. It is an isolated date. And, their people told me when we first started talking about it, "Yeah, we'll confirm it; but we want a couple of riders in it, some out clauses." So, I said, "Send me the contract." Well, they had every out clause imaginable. I had no contract. He could get out if he had a bloody nose. He could get out of the date if he got a guest appearance. He could do that. So, he returned the contract and I said, "I'll only give you an out clause for his own t.v. show or a movie: take it or leave it." And, I sweetened the pot just a little bit. And, I got a return wire stating that they sent me a new contract. It's fighting, because the whole ballgame is the manager is fighting for his talent. He wants to get as many dates blocked without committing them in hopes that something better will come along. And, that's the eternal fight that you always play. So, the suggestion I made--you get these 18 page contracts, and they've got so many small paragraphs and they've got so many outs that you really have a wasted piece of paper. But, if you demand to get a contract and have just a few out clauses--unless you can get someone to sign a contract without an out clause. I'll give you an example. That same date with Danny Davis we put the Mills Brothers on it. Now, the Mills Brothers get about \$7,500 for a club date plus roundtrip expenses for six from L.A., plus hotel accommodations. Now, they put the standard clause in there. Our client wanted them. So, I said, "What if we give you \$8,500 without any cancellations and your transportation in that. Will you give me a no-cut, no cancellation contract?" And we got it. You've got to go back and fight for it, because your office will take the easy way out.

A VOICE: That's what I'm saying. We've been fighting now for four years. We're tired of fighting.

MR. JOHN PALMER: It'll never stop, because they're trying to do the best they can for their people and you're trying to protect yourself. You're really in the middle.

A VOICE: We've had a lot of dates where we didn't get the contracts back until they were already gone.

MR. JOHN PALMER: Did the act play it?

A VOICE: We had some that decided the day before they wouldn't play it.

MR. JOHN PALMER: Listen, that's a tragic thing. You hang yourself. Try this cancellation clause. Let's say you've got an act booked for July 4th; by February 1 you have to have the completed copy or the contract is dead. So, now you know, no matter how great the act is, if you don't have a signed contract, you don't have it.

So, why hang yourself in hope that you're going to get this great act into your park. It's better to go with somebody you know you are going to have. Now, you can start promoting. The worst thing is to advertise without a signed contract. Because if they do call you and say, "Hey, we're sorry; but he's got a movie or he took two weeks in Vegas; or he got another \$2,000 down the road," they give you some song and dance, you've blown a lot of money on advertising.

Now, another trick that you can put in contracts that is starting to catch on is to say, if I spend any money on advertising this attraction and for some reason you pull out, you must cover X percentage of my costs, which I will itemize and send to you. The agent signs a letter of agreement, a letter of intent. This is not part of the contract, but a letter of agreement regarding the usage of money for advertising. Now, you've got him. It might be hard to get it from him, but at least you've got a legal binding letter of agreement. And, when he knows his name is on a piece of paper that might cost him money, he's going to get that date for you. But, this is a fight. You're not going to solve it.

Our company represents a lot of movie stars. I'll give you an example. I called Caesar Romero last week. I said, "Caesar, a woman's club at Jackson, Michigan wants you for \$3,500 plus expenses to come out and speak to them about--" He's got a lecture called "My Leading Ladies." He talks about his personal experiences with his leading ladies. It's very good for women's clubs. I said, "Caesar, yes or no?" Hem--haw-- "I don't know. Gee, if I'm not working, I'd sure love to do it." I said, "Do you want me to send you a contract?" He said, "Yeah, but we've got to put a cancellation if I get a movie, if I get a play, if I get a t.v. show, or if I'm just physically tired and I want to take a rest, I'll give you two weeks notice." Well, you don't do this with women's clubs, because they advertise seven or eight months ahead of time just like parks. You can't accept some of these actors, because they're all waiting for the big break to come along. And, if they are not working, they'd love to take your date. And, that you can't have, because you're going to hang yourself on advertising.

So, fight all you want. But, you're going to fight till the end of time.

A VOICE: Well, if everybody in the industry would get together, then we could --

MR. JOHN PALMER: Now, you're talking. But, it'll never happen. I was with General Arts Corporation when I got out of college many years ago. And, the fair people and the park people were going to do that. Everybody said, "Two weeks, we sign a contract; and if we don't get it back, then there's no date." That year was a terrible year in the fair business and park business, because no big acts worked on it.

So, I hope it works. But, it's been tried. And, unless it's a 100% effort and you're willing to lose, it'll never happen, I'm sorry to say.

CHMN. HEENEY: The question had to do with being a block book. By block booking perhaps we could negotiate a better contract. Colleges, incidentally, have been very successful in this. The National Entertainment Conference, which is the NEC, has a block booking contract that you can sign with acts. Also, the NEC was

the first organization, I think, about two months ago became effective that literally negotiated the AF of M to a new standard performance contract which gives the buyer a certain protection that he didn't have before.

One other thing, I'm not an attorney; but I have been told by agents and personal managers that one of the things that they always check out and something that you should always check out is what jurisdiction the contract is going to be valid in. For example, if it's an interstate contract, and if a dispute arises, where is it going to be settled if it goes to court. I understand in some jurisdictions it depends upon whoever the last person was to sign that contract; that's the jurisdiction that it would be effective in. This is something though that you should really check out with your attorney, because you want to have the courts on your side. And, block booking is something that can be done. And, probably that's something that this association or members within the association could do very effectively, because you not only get a price advantage. But, you also get many of the waivers lifted, because an artist knows he's going to get seven dates or ten dates or 15 dates; he's not worried about an indecisive date; he's not worried about the riding profits which are really expedited for him.

MR. JOHN PALMER: I'll give you an example of block booking. Kreskin, you know, the mentalist--Kreskin's standard honorarium for a single engagement is \$3,000 plus his expenses. Now, a block booking group of colleges in Texas bought him for ten play dates out of 14. They gave him each \$2,000 flat. So, he had \$20,000 guaranteed to him. Now, nothing can come along in those two weeks that would be better than that kind of money. So, his manager almost flew down with the contract to Texas after he signed it and gave it to them with a dozen roses, because that's the way to block book. And, everybody came out on it. Everybody knew much ahead of time that Kreskin would be at this date at this time.

Now, in the entertainment field consider this. Many of your major fairs are now starting to book the big talents. And, you can find out who's coming in. Let's say you're 60 miles away. That might be too close, because they might have a radius contract. For those who don't know what a mileage contract is, a show cannot play the day or 13 or 14 days in front or afterwards within 100 miles of such and such a location. Well, let's say you are 130 miles away. You find out that a big name group is going to be appearing at a fair. You should go to their manager and try to get the day in front or the day after, because fairs today pay the top dollar for acts because a fair grandstand can play to 20,000 in one show. So, that's another way to block book. See what's happening around you and try to get the talent in front or in back. Now, I know, as an example, the Nebraska State Fair had Jimmy Dean a few years ago. A couple of smart ballroom operators in Kansas and the western part of Nebraska contacted the Jimmy Dean office and block booked him and got Jimmy Dean for half of what his fee would have been had they bought an isolated date. So, read amusement magazines and see advanced booking, where they're going to be; and maybe you can do a tie-in date. That is also a piece of block booking. But, if you can find a couple of people within a radius of a couple of hundred miles of you who would feel the same way you do about specific talents and go to an agent and say, "Here are three dates right in a row; the jobs are not bad." If it's a single talent, "If he flies to the first date, we will house him; and we will move him from day to day; and at the end of the last date, we'll take him to a major airport." There's another angle

to getting the manager to agree to a date. Every manager is looking for somebody else to do all of the planning for the date. So, if you can help to get all of the mechanics done, you will come out a little better.

One more thing, if you're going to this whatever it's called--after hours party, we're trying an effect tonight, which I want you to look at; and it can be used in your park in many ways. Instead of having talent work in front of a curtain or in front of a wall, you can work them in front of rear projection screens. You can flash anything you want on these screens, pictures, announcements, anything. We call it a living background for want of a better name. Look at this effect and see if you could use this in your park or in one of your facilities. It's very inexpensive to do, and it's different. It's something that not too many people have seen done. So, it could be a brand new approach to staging your entertainment.

MR. DENNIS CONDON: I want to make two comments. One on cancellation, I generally don't find it does you any good to negotiate a cancellation clause, primarily because if the act wants to, it'll cancel anyway. We've had that occur many times. The second one, about issuing your own contracts, I recommend you don't hesitate to issue your own when you want to. I've put together contracts. I've gone out to the act and had them sign them in my own time frame when I could. Sometimes you can't. But, don't hesitate to try that. You have as much right as the artist to put what you want in that contract that he might include himself.

MR. JOHN PALMER: There's one point which just occurred to me about putting things in contracts. Artists feel they've been taken if they fly in to do your date and all of a sudden you tell them, "You've got this interview; you're going to do that interview; we are going to video-tape this; and you're going to be interviewed for the local paper." They feel that you're taking advantage of their time; and right away you've got an unhappy artist. But, if you put a rider with your contract that as part of this one night stand or weekend or week's stand at such and such a location the artist is expected to appear on five or six local promotional television shows, to do five or six or whatever the given number of interviews. The act expects it. Now, if you don't get them, the act thinks he's got one on you because he only does three t.v. shows and he could have done five. When they know in front, it's a lot easier to get them to do it and be happy about it.

Now, there's a place in Chicago called Mill Run. It's a theatre in the round. They had a terrible time getting these acts to get up at 10 in the morning to get down to various radio shows or to get up at 7 to be at one of these 8 a.m. local t.v. shows. But, now they've started putting down schedules that we are going to expect you to leave at 7 a.m. one morning to do an 8 o'clock radio interview show. And, they spell out about a dozen shows they were going to get them on. And, there was no problem and no unhappiness. So, keep that in mind.

A VOICE: Dennis, how do you measure the overall effectiveness of your total entertainment with big names versus the modular kind of concept of entertainment, where you have no name entertainment? What is your overall reaction? Maybe you don't measure it. But, what's your reaction; and what's your feelings on big name versus areas of entertainment with no names which are easier to buy?

MR. DENNIS CONDON: Well, that's a question that everybody keeps

asking, if you're doing name entertainment in the amusement park, why spend that kind on the big name? In our particular case we're involved with a mix of entertainment that includes that at this point. Hopefully, Magic Mountain may not have to do that ten years down the road. Groups of entertaining performers in certain areas could suffice with an entertainment mix. To get by we have to do both. And, frankly our entertainment budget for little groups performing throughout the park is double our celebrity budget. So, in a period of a year we're spending more money in providing entertainment on a smaller basis for the people who walk through the park than we are in spending dollars for big name attractions in the theatre. And, that will hold true again next year in terms of planning.

I think we measure it in terms of attendance and audience acceptance to the act that's playing. You set up a performance environment; and you get people to watch it; and they applaud; and you have some kind of measuring stick around. In terms of how many went, you can get a pretty good idea.

We change it often to make sure that we keep a good mix. And, we experiment with new things to make sure that we are keeping abreast with the times. Celebrity entertainment works very well for us. It's something that we're committed to. We've tried to go without it at a particular point in time and had to come back.

My first experience, in '72 we produced a musical comedy revue to the tune of \$200,000, sold it up until July 1st and didn't draw anybody into the theatre. Also, the attendance in the park was going in the other direction, so we went back to name entertainment the week after we closed that revue. And, the attendance curve started to go in the other direction.

Perhaps we could measure specific acts that would really do an appreciable drawing at the front gate. One thing all the parks are trying to find out, I think, in terms of that dollar expenditure is a formula against attendance when you have a pay-one-price park, because you have to allocate certain funds against your total attendance and your income against that attendance. That formula hasn't been found yet, because the acts, you know, their prices vary so drastically; and their draw can vary; and their reported draw can vary. If you get a big crowd, no one will say they came to see it; or everybody will say they came to see it. It's a difficult question to answer; and we haven't been able to really lock into a concrete answer on what's going on. We value both very highly.

A VOICE: I know you can't qualify that type of measurement; but do you see decentralizing a centralized figure, which is a marketing kind of concept and going to a decentralized area of operation as a marketing aspect, a larger entertainment basis, broader mix than one central figure?

MR. DENNIS CONDON: Yes, we keep recommending to upper management that we should throw out celebrity entertainment and make a big test. But, we're not willing to take that chance at this point. Mainly, because everybody feels, not only the management of the park, but agencies that consult for the park feel that big name entertainment does something. I can never find a reasonably good answer that satisfies upper management. Say, "Well, just throw it out; and you'll find out." But, they don't want to take that chance.

A VOICE: What agency are you consulting with?

MR. DENNIS CONDON: I'm talking about advertising agencies. I'm talking about market research in terms of what Magic Mountain means to the general public and to the market place, not compared with just what they are, but how they relate to movies and other attractions. We have a highly competitive market place. Not only are you guys down the street, but there are other people in town doing entertainment. So, it's dog eat dog; and the sharks come out sometimes.

A VOICE: I have a question for Mr. Palmer. Have you had any success or have you tried putting in a clause in your contract for rainy days?

MR. JOHN PALMER: Yes, many times, when they book tight, they do not want to have a day open in case of a rain date. But, sometimes you have them in a contract guarantee that they will play if you get rained out. Within 30 days they will play a day for you. Sometimes it's very difficult to get a rain date the next day. When you're far away, and you get into a town and it rains, you want to get right out and go to the next date. Sometimes they're going to have to charge you a little more money; and if you're willing to pay a little bit more to have that rain date protection and it's worth it to you, you might make a deal with the management of the group. But, when you're open X amount of months, you can put a guarantee clause in the contract. So, you have to figure all the angles on what you can cancel out on, and protect yourself by getting a 30 day return play date or the next day. But, you're going to pay more money for it.

Now, I don't know your facility; but as long as you can cover your act, your act will work. So, if you have a way to move a tarp on fast, your act will work. And, if you've got a pay gate, you won't lose the money because you're providing the services of the act. But, if it's wide open skies and the act refuses to work, you blew it.

A VOICE: We're just putting together a musical entertainment. In visiting other parks we find that generally speaking the singers and dancers are not unionized. The musicians are. My question is, we're assuming we're going to be unionized in the musicians; but we want to work with some high school groups possibly of a temporary nature. And, I'm wondering if we're going to have to unionize these high school bands. Does anyone have any experience on this?

MR. DENNIS CONDON: As part of your production?

A VOICE: It will be a separate group, but they'll be performing on the grounds.

MR. DENNIS CONDON: We use a lot of high school bands; but they only do one show a summer. I think the Disney people do a tremendous thing with high school bands. But, they've made a deal with both the union and the schools. What area are you from?

A VOICE: Memphis, Tennessee.

MR. DENNIS CONDON: It would depend on the strength of the union in that area and what kind of deal you would make. In Los Angeles we wouldn't attempt to do a show and use high school musicians on a continuous basis. They'll make a deal for it. But, they'll

make it so hard to get that you won't want it.

MR. JOHN PALMER: First, try to get a deal where you will, for every three non-union kids, have one union musician, almost on a standby basis. And, if you have to go one for one, find a way to use those union musicians. These high school bands are getting very good. In smaller communities, I know locations in Missouri, they're all non-union; and the union doesn't say anything because they're weak. But, if you happen to be in a strong union town--

MR. DENNIS CONDON: We had the occasion last Easter to have a gospel music festival using amateur talent. One church had 12 singers and dancers and seven musicians that backed them up out of their church, amateur musicians. Now, we played them seven nights in a row one show a night in a theatre after we presented two major acts that were members of the union. So, we were in effect adding them to a program where we already had a large number of musicians working. That's the key. If you give them employment, they'll give you some ground to bear, if you will.

MR. JOHN PALMER: One point, if you can figure a way to use these non-union kids on the stage as an integral part of the show and then have a small union band in the pit, you might have an angle. Now, where I come from, Chicago, you wouldn't get to first base. But, you might get to first base in Memphis.

CHMN. HEENEY: You're all welcome to attend the after hours party which starts at 10 p.m. There will be four acts on the show. All of them are of the calibre and quality that you could present at your park. I know their price ranges go from the very low four figures, like \$1,500 a night to around \$5,000 a night. And, every one of the acts that will be presented tonight has appeared in amusement parks. So, if you're out looking at talent, I suggest you go to the party and by all means enjoy yourself. Thank you.

... The workshop adjourned at 10 p.m. ...

SMALLER PARKS AND ATTRACTIONS WORKSHOP

SATURDAY, NOVEMBER 22, 1975

TARA BALLROOMS 3, 4 AND 5

The Smaller Parks and Attractions Workshop convened at 8 p.m., Edward Hutton, Frontier Village Amusement Park, San Jose, CA presiding.

CHMN. EDWARD HUTTON: Good evening, ladies and gentlemen. My name is Ed Hutton from Frontier Village Park in San Jose. I'm going to moderate this panel tonight. And while a few people are still taking their seats, we are going to play a tape for you. I would only play this in an audience like this. I think you will appreciate it.

I think we should probably go ahead. If there is time at the end, we'll be happy to play it again. But I actually met our ad man at the radio station, and he said, "I want you to approve this commercial." It did surprise me a little bit. It is a pleasure to be here tonight and chair this workshop that was put together for you. I do want to make a couple of comments. We have heard

what a small attraction is and the other day at one of the theme park workshops we heard what a theme park was, a park of \$35 to \$40 million or more. And yet I think there's a one million dollar park, if somebody considers it a theme park. So there is the question, what is a small park; and ERA classifies a small park as a park of approximately up to 300,000 annual attendance, which represents approximately 70% of the parks in the country. And an intermediate park, they classify 300,000 to a million. And this represents about 22% of the parks in the country. And then there are about 5% which represents a million or more attendance in the country. So that is one definition of parks. The other definition is by gross income.

We'll go right into our first speaker now who is Richard Boyce from Roseland Park.

"Personnel Practices in a Small Park"

by

Richard Boyce, Roseland Park, Canandaigua, NY

MR. RICHARD BOYCE: We are in upstate New York, the solvent part of New York State. I'd like to share with you a couple of the things we do with our employees. My application blank has several statements asking whether or not they will work until Labor Day. If they write, "no," I no longer give them any further consideration. Also, to give them the benefit of the doubt, I ask them if they will work days adjoining holidays.

We have three parties during the year, the Sunday after the Fourth of July weekend, the first Sunday in August--and these are after the park is closed and after the park is cleaned up. And the highlight of these parties is about 3:30 in the morning everybody adjourns to the bumper cars. That's proven to be the highlight. We even get people to drive downtown to see everybody on the bumper cars. And we have a big party at the end of the year. I have encouraged my kids, who are mostly high school and college--I have very few older people--to try to visit other parks. And I provide them or leave our copy of the IAAPA Manual and Guide, so they can thumb through it. And we work on a basis of four days a week; we open at noon, close around ten or 10:30. We don't work on a shift basis, but rather they work four days, one of which must be either a Saturday or a Sunday. And then I try to schedule if they choose to go in a group, three or four, as many as eight, to travel to another amusement park--now, we are in upstate New York, as I said. They have taken and gone to Crystal Beach, they have gone to Kings Island. And it is very interesting, because they don't come and talk to you as management, but rather they talk to your employees. And I am grateful because they find out they haven't got it half as hard as they think they have when they talk with some of the other employees. And it gives them a great insight, especially when they go to a major park to see really how things are done. I have, as far as rides and games, 111 people. The last year we had the lowest turnover that we have ever had. I had 18 people who left during the season. And of the 18, 11 went to other jobs, which I thought was pretty good. But it's not all the things we do but rather I think the general employment situation. I don't think the teenagers and college students have quite the mobility that they have enjoyed in the past.

When I hire, I attempt to reach a balance. Most of the major ride operators are 18 years of age. I try to make my midway people 17 year old juniors in high school so they have a year of park op-

eration under their belt so that next year they can come as ride operators and still have a feeling for the park. Highest turnover we have experienced is in our Kiddieland, where a 16 year old is on his first job and he finds that he just doesn't care for it that much. We pay \$2.10 as a minimum. We go to \$2.30. And our major ride operators are usually 20¢ to 25¢ an hour more than that. And we do not pay a specific bonus or guarantee them or even mention them. Rather, based on the year, we find what we have had in late September, we share some of this, as we have done in the last two or three years. We base it on the gross wages of those from when they started, whether from the beginning or whenever they joined us, to the end. And that's usually Labor Day, although we are open one weekend after. I will send this check out to them unannounced previously, usually between Thanksgiving and Christmas so they have an opportunity to use it when they come home for the holidays.

I appreciate the opportunity to share some of our experience with you. Thank you.

CHMN. HUTTON: Thank you, Richard. Our next speaker is Harvey Hoffman. He is general manager of Jones Is Back, 25 years old, a political science major graduate from Western Michigan University. It is my pleasure to introduce him.

"Successful Promotions in a Small Attraction"

by

Harvey Hoffman, Jones Is Back, Jones MI

MR. HARVEY HOFFMAN: Thank you. We are not your average park. Of course, you all know there's no such thing as an average park, but, like Jones, Michigan doesn't have any rides. That makes us a little bit unusual. First of all, we don't recognize any kinds of modern, fancy devices that were invented after 1920, so we have a few problems with the mechanical devices, but I think what might be the best thing to do right now is to start off and show you a few pictures from this picture machine back here and give you a little bit of an idea of what our park is like, so that when we talk about promotions, maybe it will make a little bit more sense.

That's Jones, Michigan. Jones, Michigan is located about a half hour, 20 miles east of Chicago, about 150 miles west of Detroit, about 30 miles south of Gary.

Up until about the 1930's Jones was a pretty bustling little town until it died out. The railroad stopped coming through. The highway went north of town and the old town kind of died. And then this fellow, Mr. Ed Lowe, was the chairman of the board of Lowe's, Incorporated. He invented Kitty Litter. He was a local boy, and he came back and he bought the town of Jones. He gave the whole town a face lifting, which was known as the largest one man rural renewal program in the country, turned it into quite a little place. We gave a bicentennial, you might say, an old time look to Main Street. But also in our main park area, we've got such things as school houses, weaving demonstrations, museums, glass blowing. We've got a printing shop there; we've got candle making; we've got all sorts of old time crafts and so on. One of our biggest attractions is we have Dwight Eisenhower's presidential railroad car. So you see, really, we are kind of a historical restoration and a theme park all rolled into one, nice cozy package.

We've even got our own saloon, which has got beer and liquor,

which is one of our best items. That place features singing waitresses. Live entertainment is real big at Jones. We feature such things as melodramas. We run one show every 15 minutes, so we book them in pretty heavy. We also have things like banjo acts, puppet shows, medicine shows, Indian shows, gun acts; we have the great Jones bank robbery with Bonnie and Clyde and the Keystone Cops. We also have our special events like an Indian powwow. We've got barbershop quartets. We have a Gibson Girl beauty contest. You have to be 65 years old or older to enter.

Anyhow, we have a lot of bicentennial things, antique car clubs or what have you. We are a place where there is a lot of history involved. All of the history involved is put on in a fun way.

Now, why don't we talk a little bit about promotion here. We are kind of simple, country people. We are not what you call really fancy. We've got about four ideas right now that I want to give to you because we don't have much time. The first one we call "The Great American Companies' Program." It's where we have companies come in and display their industrial heritage and their products for our people to see. Now, this isn't a new idea. The big parks have been having people come in and picking up the tab for part of the bill for a long time now, but not too many of the small parks have been doing it. But it's really a good deal. You ought to check into it because they do three things for you. First of all, they pay you rent. Second thing is that they give you extra attractions for your charge. As an example, the telephone company is coming in and they are setting up an old time telephone operator's place. The Aetna Insurance Company is coming in and putting up an insurance office and so on. People like to see them. They are all in period and theme. But also one of the biggest things, you get the company as part of your organization, then, you've got their company picnic in the bag, so you make a lot of money from outings they generate, so it does a lot of things for you. A lot of you out there think, "Maybe I'm too small," or something like that. And the only problem is that you are thinking too small. You can use your smallness to your advantage, but you have got to use it in the right way.

There's three things you've got to do. First of all, you've got to keep your rents kind of low. You can't afford to charge like Disney because you don't turn out people like Disney. What the people coming in are, are seeing the exhibits and getting to know their brand names, so you've got to keep your rents a little bit low.

Second of all, you don't go after the giant corporation. You don't go after General Motors or ITT, whatever, but you go after the medium sized companies who can't afford Disney, and they are more interested in what you've got to offer, especially--and this is point three, and probably most important, you go after people with a regional appeal. You go after people who have the same marketing area as you do. We figure about 110-120 miles--that takes us to Chicago; which is a big one for us. You go to those companies in that area who sell their products in the same area where you do, and you've got something to offer them. You've got them in the right place for that marketing area. The rental income for the Great American Company's display for this year is about \$70,000. And it doesn't cost much to get it so it's a good deal.

The second idea I want to go over with you is called modern

talking pictures. Now, film services aren't new, by any means, but I thought I would share with you, just in case you might not have heard some of the details, and this type of thing. These people are out of Chicago. What they do is they distribute your films to TV stations and groups. If you've got any type of film, so long as it doesn't have a hard sell commercial message--it's got to be primarily an entertainment base--they will put it on for you at a nominal fee. We are getting 50 showings around our area of our film, which is 14½ minutes long. And the charge is \$20. Twenty dollars for 14½ minutes. They are also available to groups, and you can specify the kind of groups that you want. In other words, you can specify the groups that you want it shown, and it costs \$3.80. To us, the price is right, and we are going to go ahead with it this year.

Third is the National Industrial Recreation Association, NIRA. These people are based in Chicago. What these people do is they are in touch with 1500 companies, nationwide, which have recreation programs. These programs are designed to give the members of the companies fun, and that's our business. They have an executive who is in charge of that. You can talk to him about outings, you can talk to him about picnics. Those 1500 companies are spread all across the country--you can set up a program called a club card program. You send out these little cards with your literature and maybe posters, if you have them. They will put them in their office and give them to their employees. And if they are coming through your area on vacation, they use these cards to give them a little discount, maybe 50¢ or \$1. It gives them something to give away, so all the recreation executives are hot for it. And it gives you something, because if nothing else, it gives you an information center right in the factory with people they are used to dealing with. When it comes to recreation, we think it is a good deal. The rent dues are only \$300 a year.

Finally, I'll close with just a little comment. I'd like to suggest that you all contact your local convention bureau. Most of you probably deal with them anyway. We have had great success with these people. Why don't you suggest to these convention bureaus that instead of setting up an outing where your wife might blow \$40 or \$50 going to Saks Fifth Avenue, that they spend \$3 or \$2 or \$4, whatever it is, and spend the entire day safely in your park, where maybe they'll spend six or eight. It's a good approach. Convention people are just dying for places to take these women because it's a big problem. Again, it's very cheap, the dues are minimal. It gives you a whole new group to play with.

A VOICE: Harvey, how much did it cost you to make your film?

MR. HARVEY HOFFMAN: It depends on where you have it done. If you have it locally, it would be anywhere from \$250 a minute--we had it done in Hollywood, and it cost us \$1,000 a minute. It cost us about \$14,500.

CHMN. HUTTON: We'll go ahead with the next speaker, who is Joe Schuler, Jr. of Schuler Associates of Rochester, New York.

"Solving Problems and Creating New Ideas Through Design"
by

Joe Schuler, Jr., Schuler Associates, Inc., Rochester, NY

MR. JOE SCHULER, JR.: Hi. First of all, I represent a park in Rochester, New York. We have about 12 kiddie rides and about 16

major rides, skee-ball, arcade, picnic area, a small Frontier Western Village, we also have a miniature golf course, golf driving range, baseball batting and go-carts. I think I should just briefly tell you a little bit about my background because what I am going to show you will kind of tie into that. I am a trained professional interior designer, a graduate of Syracuse University. I teach interior design part time at one of our local universities at Rochester. I am now trained as an exterior designer because my father insisted that I help him out in the park and design some things for him. We are a small park. We cater to the Rochester area and to industrial picnics. As a result, we have to keep our expenses down, and we work with a minimum of maintenance and help, and we try to do things as reasonably as we possibly can. So I am going to show you a few ideas that I have been working on, some that I have already done, and some that are in the future for next year without spending a lot of money. And that might be good in this day and age. One of the biggest problems we have been having in the last couple of years is our dark house, our haunted house; the vandalism has been astronomical in this house. It got to the point where we actually had to put a couple of employees inside the dark ride to keep the vandalism down to a minimum. It got so bad that we caught a couple of kids actually with pliers cutting the wires to get the automation and they were destroying it, so something had to be done.

What I did was, I did a series of panels, painted panels on the wall of the dark house itself. I removed all the animation that they could get their hands on. Our dark house is not a walk through; it's a ride through. They get right out of the cars and will try and get out the animation, so I took most of the animation out, and I did these painted panels. The panels are done in series. The first panel is in day-glow with black light on it.

And then a strobe lighting on some of the panels, which is a real fast flicker on and off lighting. Some of them are just flashing lighting. And then I took the tape with the music and the noise and worked it in with the lighting so it did create quite an effect when they were riding through the house. What it did, it did eliminate the vandalism problem that we were having in the dark house, and it might be an idea for some of you who are having some problems with your dark house and vandalism.

Now, when I was in Europe last year with the association, we went to Stuttgart to the Oktoberfest. The bumper car buildings are very highly decorated. I was extremely impressed with the decoration on the back wall of this bumper car building. So I came back; I designed these panels to be used on the side and the back of our bumper car building because one of the problems we have with our bumper cars is showing the patrons which way to go, in other words, to go one way. And this has been a problem. So with these graphic panels--and they are done on canvas so that they could be rolled up at the end of the season and put into storage--actually, it's super graphics leading them to go one way. And it's on to walls in the bumper car building. It's been very effective and very colorful. Then also one of the things that you can do in your area if you have local universities, where you have art schools. Art students are looking for work, and they will work at minimum wage. And we were able to get several art students, and they worked under me to create some different designs for different areas in the park. One of the students said, "Mr. Schuler, can I design the wall?" And I said, "Fine." So I gave him a ladder, some paint, some brushes, and I said, "Go to work." And he created the panels on the buildings for us. Then I turned him

loose on our games building. We had a games building that was kind of dead; it needed some decorations. He went ahead and did it for us, turned out very effectively. It draws the attention of the people to the games building and is very effective.

The next thing that bothered me in the park, many corners in the park are kind of isolated and become places where debris, papers blow in, where maintenance people drop parts from rides, stuff, where they don't store them properly, just areas where weeds build up where people don't take care of property. So I started a campaign this year of putting in little mini-gardens. I'm going to do more of these next year. They are just tiny little gardens. And what I did was I painted a white snow fence and just painted the birds and butterflies in plywood and attached them to the fence and then put plants in and have a little pond in it. It's very effective. People really look at these things and really think that you are paying attention to your park because I think in a little park, I think we have to pay more attention to every little area. We are not big theme parks where there are large formal gardens. We have little areas to work with. Next year, I'm going to take some more of our areas, I'm going to do little mini-gardens like this. I have found a great response this year from a lot of our patrons coming through the gate and saying how pretty they thought it was and how nice that we were trying to beautify and keep the park as pretty as we possibly could.

Next, in the coming year, one of the things that I want to do with our miniature golf course is come up with a new idea, sort of theme it. What we are going to do is call it rainbow golf. What I'm going to do is repaint each one of the holes a different color, and boards on the holes themselves in rainbow colors, and then out of plywood, we cut out the different designs, and some of them I'll use as borders around the different corners of the different holes or as actual traps in the holes themselves. And I think it is going to add a lot of color to the miniature golf course and actually theme it and give it a new look. On the light poles you see, I have the half rainbow circles, and those will be put on the flag poles for additional color. What it all boils down to is a very inexpensive--with plywood and paint and brushes and a little talent, cutting out and putting together, you can create some ideas that are very inexpensive and give a new look to certain areas in your park.

Just to bring a little promotional thing into the picture, because the rest of the speakers are going to be talking more promotion than I am, I'm talking more design. This is a new idea which we are going to try to work out for the coming year. We are going to inaugurate a bicentennial celebration, which, of course, everybody will be doing this year. Our celebration will be the "Hail America" festival. We are going to run it from June 26th to July 4th. The logo that I developed is a merry-go-round horse in red, white and blue with the cowboy on it and then the fireworks coming out. This will be the logo that we will use throughout all of our advertising through the bicentennial year. The whole idea behind this festival will be a 3,000 seat festival tent that will be put up in front of the park--up to the gate of the park. In other words, you will go through the tent and then through the main entrance into the park, where we contract with a food concessionaire who will serve the food in the park and in the tent and he will provide all the entertainment in this tent. He will serve regional recipes from all over the country on different days. We will have wild west shows, fireworks, of course, in our western village.

The whole thing will be themed as Greater Rochester's Great Bicentennial Celebration. Let's face it. Everybody is going to be thinking bicentennial this year. We might as well get on the band wagon and join right in it. We have one thing to offer, that is more important than anything else--the personal touch. The theme parks, the larger conglomerates, cannot offer this. But we can offer this personal touch and I think this is the one great thing that we have going for us--this personal touch. Thank you.

CHMN. HUTTON: Thank you very much. I think that was very interesting and enlightening to all of us. Our next speaker is Sally Heuermann of Rockome Association of Commerce, Arcola, Illinois. And she does have a slide presentation for us. Sally.

"How to Promote Attendance at a Small Attraction"

by

Sally Heuermann, Rockome Association of Commerce, Arcola, IL

MS. SALLY HEUERMANN: Thank you, Ed. I do represent Rockome Gardens in Arcola, Illinois. Arcola is centrally located in Illinois. We have a population of approximately 2,300 people. And I think our closest town is 32 miles away, and it's a university town. So the first thing in promoting attendance at a small attraction is getting the word out of who you are, what you are and what you have to offer. Rockome Gardens is a family owned and operated attraction and consists of a 207 acre farm with 12 acres of unique rock formations and flower gardens. We have a main gift shop, an Amish home, haunted barn, a dark room, we do have a rock shop, antique museum, an Indian trading post, basket shop, snack bar, school house, bakery, which has homemade bread and cinnamon rolls. We have an old recreated town called "Bagdad Town," which was an original riverfront town and was older than Dodge City. We are geographically located in a very rich agricultural vicinity within an Amish community, so that we basically draw upon our own natural resources, especially for our two main annual events, which are rail splitting days in the spring and horse farming days in the fall. Twice a year we have paid advertising in 31 papers, the first in April, and again in September. This covers a radius of over 400 to 500 miles. We send out over 800 news releases nationally, and we have paid television on eight different stations. We do use radio. We try to cover an eight state territory in promotion of this type. And we also visit these newspapers and the television stations if at all possible twice a year because we feel this is for good public relations purposes as well as for gathering some information. We place general ads in 15 area papers through June, July and August, as well as within nine area papers for special promotion ads which we use throughout the summer. We do use some TV spots also. We average about \$55,000 on newspaper advertising, \$9,000 on television and radio and another \$2,000 on miscellaneous ads and brochures. We have a total \$110,000 annual advertising budget. We use approximately 200,000 regular Rockome brochures annually, 60,000 each of rail splitting and horse farming. These are all sent out, usually on individual requests. And then I have group mailers. These go to all hotels, restaurants, auto clubs, travel agencies, bus companies, individual organizations, anybody, anything we can think of. These are mailed out and they are passed out 365 days a year. And I call this my saturation brochure project. And believe me, it's very effective. This last year, we have had a tremendous record breaking year. We have broken every record in the book. We are seasonal, from May through November. And our annual attendance is approximately 130,000 visitors. We invented the horse farming days in commemoration of the Illinois

sesquicentennial. This was the first time, a two-day promotion on a Friday and a Saturday. The original admission price at that time in 1968 was 75¢. On Friday the attendance price was \$584. On Saturday, we averaged \$2,147. This year, we had horse farming days on three weekends for a six day total with 16,000 in attendance.

Today, we have rides and attractions, and our ticket price is \$3 per adult including everything. Children six through twelve are \$2. We also have a group admission of \$2 per adult and \$1.50 for the children six through twelve. They also are given an extra attraction such as a two hour tour through our Amish community at a fee of \$12 per bus for our guide service. They are taken on this tour for an hour and a half to two hours with stops at points of interest, and they might get to see shops such as an Amish car shop, buggy restoration, cabinet making. And I think at this stop, they are also given a narrative of the Amish history as well as a history of Rockome and Bagdad Town. So my main objective to promote Rockome is to get out, meet with the media, get to know these guys, because they can really help you. What I mean by getting to know them is their interests, their likes, their dislikes, anything that you can help them with, with maybe a special story from your area, any news that you know or happening which will be coming in the future, give them a phone call. I don't care what time of the night it is, even. If you've got something that you think is of interest to them, call them up because they'll listen. It does work for you because if you ask for a little bit of help, they are more willing to cooperate with you.

This year, as I stated, we did get a tremendous coverage from our newspapers. This is some of our UPI coverage. It went all over the country. I was told that we did have color coverage in New York. Some of these are from California, New Mexico, Texas, North Dakota, everywhere. People have been sending all these clippings into us, so these guys do come out and help. We got almost every interview show on our TV stations, in state and out of state. We got on all the radio interview stations so, therefore, that's what I mean by getting out and really getting to know your people. Travel writers from out of state gave us good coverage this year also. Another thing, whenever you are out on the road and you are trying to promote, stop a little while and talk to the person on the street. You'd be surprised the word that can get around from these people because one day I came back into the office and I had a little clipping on the desk. I had been covering Ohio; and somewhere along the way, somebody had a little piece in the paper and said, "What is Rockome Gardens?" So they had to answer this and there was a little writeup.

Also, we had a newspaper reporter in Chicago, and we had one special promotion this year. And I couldn't figure out how come everybody was coming to Rockome Gardens and asking for me personally. Finally, I asked this one lady, "How did you get my first name? How did you know it?" She said, "It was on the front page of the Chicago Daily News." I got the clipping. It said, "Call Sally Heuermann at Rockome Gardens and find out all about it."

There is a formal entrance to Rockome Gardens. It is Rockome Gardens famous cupid's heart, and we usually run a news release about January or February and get a Valentine news release published. We have had several weddings also performed there. We use this type of picture for some of our postcards and things of this type. The visitors, when they enter, do come up to the main gate where they buy their ticket. Thank you.

CHMN. HUTTON: Thank you very much, Sally. I think that was interesting. The next speaker is William Kooker, Riverview Park, Des Moines, Iowa.

"Successful Promotions in a Small Park"
by

William Kooker, Riverview Park, Des Moines, Iowa

MR. WILLIAM KOOKER: Thank you. I'm with New Riverview Amusement Corporation. We are just a small traditional amusement park, and we are located in Des Moines, Iowa. That's the capital of Iowa; we have a population of about 300,000. We did enjoy a monopoly in the area until last season, when a theme park opened about ten miles away. Bob wanted me to pass on a couple of promotions that were good for us last season. It was the first time we had a couple of them.

But first, let me give you a nutshell description of the park. We are located on about 40 acres and we are surrounded by a horse-shoe shaped lake, almost an island. There are 19 rides, including a half mile wood coaster. We also have a ballroom, arcade, miniature golf course, bingo parlor, picnic grounds, various game stands, etc. Several rides are under cover and all the games are along covered sidewalks. The center of the park consists of large grassy lawn areas with benches, shade trees; and the rides and games encircle this area. Our prices may kind of shock you a little bit. You'll have to remember, we are in the conservative Midwest. But our gate is free, our parking is free, and we are on a universal ticket system, with a single ticket selling for 12¢. These are sold in the center of our park with our ticket booth of six selling windows. This handles the entire park. Of these 12¢ tickets, the rides require two, three or four. Our hours for public operation is going to shock you too, I think. We are only open evenings except for weekends. We open at 5:30 in the afternoon, start the rides at 6:30 except for Sundays and holidays and on Saturdays when we reserve this exclusively for large industrial picnics on Saturday afternoons.

Our picnic prices, we charge them a penny more for their tickets, but it only takes one or two of the special event tickets to ride the rides, so we give the picnics quite a price cut.

Now, for the first promotion that Bob wanted me to talk about, I think you are all familiar with March of Dimes and all their local chapters in your cities. They contacted us on this idea, and we weren't smart enough to come up with it. But on April 14th, 1975, they held their annual walkathon to raise funds. Now, the teenagers, mostly junior high age, volunteered to participate and solicit pledges for each mile they walked. The March of Dimes wanted to reward the youngsters and thought an evening at Riverview would be an ideal reward, so they contacted us. And after a meeting with the representative, we set a day, May 14th, which was one month after the walkathon. The park furnished the ballroom at no cost and agreed to give two free rides to each of the walkathon participants. In addition, we sold from our booth, reduced rate tickets at the rate normally given to industrial picnics. The way it was set up, the March of Dimes printed a strip ticket with two tear-offs on the bottom. These tear-offs read, "This ticket good for one free ride on any ride; compliments of Riverview." The top half of the strip served as identification for the bearer that entitled him to get into the ballroom and also to purchase the reduced rate ticket, additional tickets for himself, family or friends.

They weren't excluded. The one stipulation for the walkers to obtain the strip ticket was for them to collect their pledges and turn them in prior to coming to the park or they could turn them in the night at the booth in the center of the park. One additional incentive for the youngsters was if they collected over X amount of dollars, the March of Dimes gave them additional tickets, free tickets. The promotion was a complete success for the March of Dimes; it was a complete success for Riverview. The March of Dimes, first of all, had more participants than they had ever had in any other walkathon in our area. They had more money pledged, and they had a greater percentage of pledges collected, which they had been having trouble with in the past. For the park, we had nearly 1,500 additional youngsters that we wouldn't have had if it had not been for this. We received free publicity and excellent PR for hosting the youngsters.

With the success of the March of Dimes party, we decided to tap other sources using the same strip ticket method. So we approached the Girls' Softball Association in Des Moines making the party available to all the players in the Girls' Softball program. This is a fairly big program in Iowa. It's probably bigger than the Little League. Then we did the same thing; we approached the Boy Scouts, we approached Campfire Girls. All of them went for it, and they were complete successes.

Next season, with a little planning, we are going to try and approach a number of organizations that could be having a Riverview party similar to the ones we had this past season. In the past we have concentrated on large industrial picnics. We book roughly 50 to 75 of those a season. We will continue to do this.

One of the things that's a little different that we did-- Riverview in the past years has hosted a School's Out Party in connection with the local radio station, Radio Station WKSO in Des Moines. The station originally for the past seven years has been strictly a rock and roll station. But on an overnight basis, they switched to country and western. They still wanted to sponsor a promotion in the park, but they wanted to theme it country-western, their goal being to determine their acceptance or the gain or loss of audience by changing to country-western. The radio station arranged for local and national talent to play in the park. And it also arranged to give us free door prizes, and our gate was free. Our ride passes were normal. It was held on a Sunday afternoon. It was set to start at 1:30. The station started plugging this event four weeks prior, and they billed it as the WKSO Great Country Music Festival at Riverview Park. They used approximately 25 recorded spots a day and in addition, each DJ mentioned it several times on his program. I started listening to the station to catch some of them, just riding in my car. I never had to listen more than ten minutes to hear our name mentioned. This was for four weeks solid. There was no newspaper or no TV advertising. It was strictly KSO radio and no charge to the park.

We opened our park gates at 11:30. We ran out of parking at 12:45. The crowd was finally estimated at about 7,000. Riverview's only expense in promotion, we had to share the expense of the door prizes, which were AM-FM radios, that type of deal, and \$500 toward talent expense, KSO, Nashville talent. It was new talent groups--only had one hit recording out. It was the first record. They mainly just wanted exposure and wanted to plug their record. This type of talent came mainly just for traveling expenses, plane fare and accommodations. Needless to say, the day was a complete suc-

cess. We received four weeks of heavy radio exposure free and a fantastic crowd for Sunday afternoon. Thank you.

CHMN. HUTTON: Thank you, Bill. I would like to call on Doc Firestone now. He did want to make a comment on the question and answer period, one definition of a small park.

MR. FIRESTONE: I have enough material that would last two hours but I'm going to limit it to about a minute and a half. Last year when I attended this wonderful workshop of small parks, I asked the question, what is a small park? And I did not get an answer. Ed, tonight you gave me a different definition. Your definition concerned the dollar volume; is that right?

CHMN. HUTTON: No, my definition concerned attendance figures, and then I think our association bills by dollar income.

MR. FIRESTONE: After that, I left here last year and I did some research work and most of this material that I have here I got from the Manual and Guide of our Association dated January 1, 1975. There were 572 parks that I researched. I researched 327 nonride or attractions. I'm going to break the number of rides down. There were 138 parks that had from one ride to five rides. There were 155 parks that had from six to ten rides. There were 151 parks that had from 11 to 20 rides. There were 81 parks that had from 21 to 30 rides. There were 35 parks that had from 31 to 40 rides. There were eight parks that had from 41 to 50 rides, and there were nine parks that had over 50 rides. May I say, I've seen this particular meeting of small parks grow from about 10 people to one of the largest meetings in my 50 years here as a member of this association. And I want to compliment all of you and the committee in charge, this wonderful reception; and I know you are going to get a lot of useful knowledge.

CHMN. HUTTON: Thank you very much, Doc. We will open this up now to questions and answers.

A VOICE: I'd like to know when a pay one price should be considered at a small park.

MR. JOE SCHULER, JR.: I might help you a little. When we quit our Frontier Village and sort of went to a theme park, we went to a pay one price strictly. It did not work for us. We went back to the open gate. We still offer the pay one price. We have found that since we have gone back to the open gate plus the pay one price, that the pay one price has been steadily increasing in popularity. But the strictly pay one price did not work for us. I do not recommend it really for a small park. It may be different in your situation; but for us, it did work.

A VOICE: How much was your pay one price?

MR. JOE SCHULER, JR.: That was three or four years ago. I think we started at \$3 or \$3.25. And we now have \$3.75 Monday through Friday and \$4.25 Saturday and Sunday. And we have two sessions, one to five, and five to ten, I think it is.

CHMN. HUTTON: I'll make a quick comment. We're open year round out in San Jose. Our annual attendance is 450,000. This will be our 15th season coming up. We have a pay one price. It's \$4 this year: it'll be \$4.50 next season. We also have an admission and ten ride combination. We also have a straight admission, but it's

all a paid gate. You have to take one of the three plans. Sixty-five percent of our business comes from the pay one price ticket.

MR. WALTER SILL: I represent Kaintuck Territory in Benton, Kentucky. We probably have the highest priced pay one price admission in the United States. We are \$5 for adults and \$4 for children plus 5% Kentucky sales tax. We've just finished our ninth year, although we are going to open up for a special promotion during Christmas. We floundered along for about four years and we tried first a very mediocre small price. We didn't have too much at that particular time. And then we tried a dollar admission price and went to just a grounds price and charged for everything after they came in. We tried this for about three years, and it was very unsuccessful. We finally went to a one price admission for about four years, and we've doubled our growth every year since then. We only have three rides. We have a full sized steam train; we have a chair lift that we have converted to what we called a Heavenly Flying Machine, which looks like it is made out of junk wood, and then we have an animated river ride. We have primarily shows. We have a large 5,000 seat amphitheatre where we do a lot of country shows. We have a large magic show, a large stunt show, an Indian show, a big saloon show and we do feature gun fights, which we are phasing out. We're primarily shows, and we feel that's the only way we can do it. If we tried to open up and sell tickets to shows, it just doesn't seem to work for us.

I do want to say one thing that worked beautifully for us this year that might be very successful if you would like to try it. Our amphitheatre originally was a very modest thing. Year before last it was about 300 seats. This last year we made it into a thousand seats. And we started off the season about 50% off. So in July we started to do country. We made this part of our regular admission price and then we really brought them out of the woods. We have about 25 acres of parking, and it was gone within about an hour and a half after we opened. So it was very simple. He was able to see somebody he enjoyed for \$5 and it would cost him that for a ticket if he goes to a major city. And he really saw the value.

About two days later we broke out the bulldozer and built a 5,000 seat amphitheatre. We immediately booked additional shows and our gross for three shows following that represented about \$60,000 on a \$6,000 entertainment budget. So you see, it was quite profitable. It was a great thing for us. We're going into that this coming year. To kick our season off, we're going to bluegrass festivals, and we are going to utilize that a lot because that's where the value for the local person is. We think it will really bring them out.

MR. BOB TERRY: We have an open gate. But to increase our gross, we went to a discount book of tickets this year, where we sold universal tickets in a \$3 book and \$10 book. On a \$3 book we gave them \$3.20 worth of rides of tickets. On a \$10 ticket, we gave them about \$1 more. The odd thing was that over 50% of those sales were \$3 books of tickets this year. Our gross went way up, maybe middle of the road for the one price.

A VOICE: We're neighbors to the folks at Jones. First of all, I'll give you an idea of our operation. We own a complete western town and we are pretty authentic. We claim to be one of the most authentic in the country. Just to give you an example of our authenticity we've got over 250 Tiffany fixtures. We even use them

in the johns.

One thing I would like to know, Bob. What do you spend for advertising? I hear all kinds of conflicting figures and some of them just don't add up. There has got to be a per capita spending figure in there, so it just don't come out like a third. Franchises have lists for X number of dollars for insurance and so much for advertising. If we had forms that were mailed in, would this be able to be compiled, so like we'd know--small attractions that fall in the quarter of a million gross or half a million--what percentage might be suggested be spent for advertising or insurance or this type of thing? I don't know if this is available. If it is, I haven't seen it. I think it would be something real interesting or handy to have in our smaller tourist attractions.

CHMN. HUTTON: To answer your question, over the years here at the association, we have had figures like that. As I recall, we have seen them two or three times. They may be available through the IAAPA office. I'm not sure. We'll write this down. We'll also be taking notes here so we will pursue that and take it back to the office. We have seen figures in the past. Maybe someone is more enlightened on it than I am.

A VOICE: I'll just comment briefly on that. The last one I saw was in the Fun Spot Directory to AB. They used to publish those figures.

CHMN. HUTTON: You might refer to that, and it might help you right away. Look at the percentage you spend on advertising and promotion. I think you always look at the budgets. Every committee looks at it different. You may have a nice sea side location on the water and you are well known. People just flock to the beach, and you don't have to work quite as hard and so your budget is lower, which is great. So there's lots of variable factors that come into play there that affects your budgets and your advertising promotion budgets. George Frantzis, did you have a question?

MR. GEORGE FRANTZIS: We have been playing games with pay one price at our park for the last several years, and we still don't have a handle on it. We have tried a mixture. We've tried to have the free gate, we have the 20¢ ticket system and the rides take one, two or three tickets, depending on the ride. We have discount books; for five bucks, you get \$6 worth of tickets.

Then we offer on Saturdays the alternative of pay one price with two sessions. This year for the first time during picnic season, because we've got so much pressure from teachers, principals, people who are involved in school picnics, we have a set price for the kids. They don't have to take it so we don't have a pay one price gate. It finally gets to the point where you are offering so many deals at your ticket booth that even the cashiers are confused. On Saturdays, where we have two sessions, we are charging \$2.50. And then for children under eight years old, \$2--\$2.50 and \$2; and during the school season, we are charging \$3.50 and children under eight, \$3.

CHMN. HUTTON: You don't have entertainment in the park, or do you, for that price?

MR. GEORGE FRANTZIS: No, just on Sundays, entertainment.

MR. CHRIS MYER: I have a question, one for Harvey, another for Sally. What is the policy for Jones at the gate for the general

public; and, Sally, the family operation of your park--how long has it been, how long did it take to develop, what plans do you have for development in the future?

MR. HARVEY HOFFMAN: By policy, I take it you mean just price, pay one price. Four dollars is general adult admission. The group rate for adults is \$3. The normal children's rate, which starts at 12 is \$2.50; it's \$1.50 for school groups or youth oriented groups. We even go up to as far as a senior in high school. In other words, if we get a scout pack in there, some are 14, 15, what have you, we still let them in for \$1.50. We've experimented with things like coupon programs, where we gave out a book last year with \$20 worth of coupon values, which we found to be very successful. But we are getting away from that this year because we are doing a lot of new things ourselves. As you walk out of the Main Street of Jones, which we couldn't include the Main Street in admission because the local fire station is still there so we couldn't rope it off. So what we do is when you walk on Main Street, you'll be greeted by a Keystone Cop, and he'll give you a free gift, which will be jelly beans, welcome you to a little home town, and so on, and a map of the town and information and prices of things. We've only been in operation for two years now. We keep growing. Last year we tripled the number of shows and attractions we had in the park. We are not putting our prices in print around town. We experimented with pay one price. It was successful for us. But again, we are going to have to wait and see whether or not the dogs will eat it, as we like to say. We are running a free movie so people can find out about Jones, because we get so many people coming in and telling us they don't know what it is, because we are so new. But we hope that the movie and the free gifts and the come ons will help justify the \$4 pay one price. If not, we'll come down. We're planning on staying with the pay one price.

MS. SALLY HEUERMANN: To answer your question about our park, our attraction. The family has owned Rockome since about 1958. Originally the gardens were constructed by Arthur Martin. It was his home there. It was during the Depression days when these floral gardens and rock formations were formed. He brought his workers in, and instead of putting them on the WPA work roll, he paid them to make this garden for him because he wanted the largest flower garden in Douglas County. Anyway, when he died, he donated this to the Mennonite Church and they were to use it as a mission. That didn't go over very well because they don't have missions too much from the Amish. So Mr. Yoder bought the gardens. And we had a lot of people coming through, so he was very enterprising, so he started adding the attractions one by one. And through out the years now, this is what they have had. Our main concern is restaurant facilities. So this is kind of an idea they are kicking around. They own the Dutch Kitchen in town in Arcola, and we do need a restaurant there on the grounds so this is hopefully a thing in the near future. They added also a candle shop, which was next door to the calico shop. The boys and their father keep coming up with ideas, and we don't know what they are going to come up with next year. Last year, it was a haunted barn. Perhaps Mr. Yoder would like to comment on this. Mr. Yoder gets a new idea of a new attraction, he'll add it by next spring.

MR. ALLEN YODER: Basically, she had it about right. Our restaurant facilities are in bad shape. All we have right now is a snack bar. That's our main concern. And since we are in an Amish area, with what the Pennsylvania Dutch do at their food and restaurant facilities out in the Pennsylvania Dutch country, we feel

that's our main objective in the near future.

MR. WEITZEL: Sally, did you have name entertainment in your park?

MS. SALLY HEUERMANN: Yes, this year we had Ronnie Morgan for our children, Arkie, the Clown, from Knott's Berry Farm. We used Roy Dresky last year. This year, we tried to see what we could use locally, like a bluegrass festival. We went around picking up people like that, plus the Old Fiddlers' Association. So really our main one was just Ronnie Morgan. Like I said, we did have special promotions throughout the season. But we tried to keep it within the area and keep the budget low.

CHMN. HUTTON: Allen Weitzel passed up a question to me a few minutes ago. He wondered if any of you have expressed your food capacity, like we do rides, in other words, so many riders per hour. Have any of you expressed your food the same way and have figures for that? If your ride capacity is 8,000 an hour or 15,000 an hour, how many people can you feed an hour? Any reaction to that?

MR. ALLEN WEITZEL: One last question. Does anyone on the floor have a small attraction and have had good success with name entertainment and could they give us some information about that, name entertainment in a small attraction, 200,000 people or less? I don't know whether that's a small attraction or not.

MS. SALLY HEUERMANN: Take for example, Ronnie Morgan, this was a first time experience, and we were just kicking this one around. Like I said, on Saturday, we had 1,450 in attendance and we had about 2,500 on Sunday. And our best days averages 3,500. So that was the first time. So next year we are going to expand on that; we are going to extend it to three days:

CHMN. HUTTON: For those of you in the smaller parks that have a Romper Room on one of your stations in your area, I strongly suggest that you try to work with the local Romper Room Show, which they syndicate. It has strong draw for younger people, children. We did a small promotion with them, brought her in for a day, and she brought us about 1,700 people into the park because they had to write into her station for the tickets, so we could measure it very closely. It was a successful promotion, simple. They did all the work. They wrote into the station for tickets. We were very happy with it. We tie in with probably six to eight radio stations every year with three television stations. We get them to promote; they have a day in our park. They put up the money. We don't buy radio time unless they will promote with us for a day. We just don't buy the station. There are so many radio stations in the San Francisco Bay area that we don't have to go with a station if we don't want to. We've got too many to pick from. I would strongly suggest that before you place your ads with the television and radio stations that you talk to them and work out a trade or agreement with them that they will have a day there to promote over the air. There's lots of formulas and ways you can do it. Any other questions?

A VOICE: I'd like to address this to Mr. Boyce. Apparently, we share a common problem. You say you have your highest turnover in your Kiddie Land. We don't necessarily have a turnover; we have a bad morale problem. Not open to the public but openly among themselves, they refer to it as "Cruddy Land." I'm wondering if you have done anything about it, or do you have any ideas because apparently we have a common problem.

MR. RICHARD BOYCE: I understand that feeling, for when we send anyone to Kiddie Land, we tell them it is not punishment but extra training. So I appreciate what you are saying. I don't know how to answer that except that I understand their feeling. If they don't want to work there, then they can go elsewhere. Usually when they come in, if they are younger, they understand that is where they are going to work.

A VOICE: How about your tape? Play the tape. Play the second part, Ed.

CHMN. HUTTON: We'll play it. You have to understand our advertising agency--I have to preface this or I won't play it. Our advertising agency is an ex-disc jockey and what have you in the San Jose area. And every so often, he gets these little spurts and so he wrote a speech. He uses my name like it's me talking. The speech really is funny. I wouldn't play it any place but here. I say that because you all are in the business. I think you can laugh along with it. I just don't want Consumer Reports to read it and hear it and put it under that section of comments, the comment section, they have. This is off the record.

... The workshop adjourned at 10 p.m. ...

MARKETING WORKSHOP
PROMOTIONAL TECHNIQUES

SUNDAY, NOVEMBER 23, 1975

NORTH BALLROOM

The Marketing Workshop convened at 1 p.m., Carl O. Hughes, Kennywood Park, West Mifflin, PA presiding; guest moderator for the Promotional Techniques portion of the workshop was Spurge Richardson, Six Flags Over Georgia, Atlanta, GA.

MR. SPURGE RICHARDSON: Thank you, Carl. I'd like to welcome all of you. The first talk this afternoon on promotional techniques is going to come from Busch Gardens. They decided they really wanted to get into promotional techniques and get away from giving away so much beer. So they came up with a man by the name of Rod Caborn. And Rod came up with a super promotion. Rod's our first speaker today.

"The Great Ted Mack Talent Search"

by

Rod Caborn, W. M. Roberts, III, Busch Gardens, Tampa, FL

MR. ROD CABORN: I'd like to introduce our director of marketing for the Busch Gardens Division of St. Louis, the man who really came up with the concept of the Great Ted Mack Talent Search. I'd like to introduce our director of marketing, Monty Roberts, who will sort of preface the entire presentation.

MR. MONTY ROBERTS: One of the interesting things about having three gardens is you really can develop an idea one place and move it to another. I know Six Flags do that. We've started to get into that a little bit. The Mack promotion was originally developed in L.A. To me, it's a pretty specific criteria, which is also

true at Tampa. One of our problems is that in our parks we don't have a theatre of big capacity. The biggest theatre we have at any of the parks is 1,000 seats. From the experience we have had in the past with a big name entertainment, you end up with 10,000 people trying to get into a 2,000 seat theatre and they all go away unhappy. So we try to develop some entertainment and promotional happenings that would run over a very long period of time so that you could turn over the seats in the theatre. The flakier group of Busch Gardens, the marketing people out in L.A., came up with this scheme. The idea of it was to develop an event that had a lot of entertainment value that would entertain people once they came into the park but also get a tremendous amount of publicity and promotional value that would last over an extended period of time rather than a one day shot.

We were thinking about having kind of a golden oldies or something. And somebody came up and said, "Hey, what about Ted Mack?" I thought he had been dead for 15 or 20 years, you know. One of our most aggressive people found out that Ted Mack is alive and well in West Nyack, New York. And we got ahold of him on the phone and said, "Would you be interested in doing this?" And he said, "What do I have to pay you?" So Ted got involved with this, and he's really a wonderful gentleman to do business with. The promotion we did in L.A. last Easter--we're going to do again next Easter--was extremely successful on all counts. It sold tickets, which is the number one object of anything, but it also got the front page of the L.A. Times, I think, four different times in ten days. People just went totally crazy over the idea. And the only real problem, from an operational standpoint--I know this is true in L.A., I don't know about in Tampa--was that the idea was to turn over the theatre as many times a day as we could. People sat down and started watching; they got addicted to it; and you can't make them leave. They'd sit there and skip lunch and everything else to watch one wacko after another. The only caution that I would tell you here, if you are going to get into this kind of promotion, is you have to put a limit on the number of guitar players eligible because something like 80% of the acts came up with a guitar.

One other thing, you know the promotion was obvious for L.A. Everybody in L.A. seems to be a little weird and really kind of got right into the whole idea of coming and playing your piccolo and whatever. We debated back and forth about Tampa--we weren't quite sure what kind of participants we were going to end up with. But the nostalgia of Ted Mack's resurgence really went over. And with that, I'll introduce Rod again to really take you through the nuts and bolts of it to give you an idea of how we pulled it off.

MR. ROD CABORN: By way of background, why did Busch Gardens conduct a talent search or why does any attraction conduct a special event? In our case in Florida we experience a very distinct business peaks and valleys. Immediately after Labor Day, if it were on a graph, you'd see our attendance just go like this. We have to lean more on our local marketplace. It's a historical pattern that's always happened after Labor Day and continues through the first part--up until about Thanksgiving, when we begin to experience a greater attendance surge, and it drops down at Christmas and steadies out over the first half of every year. So, with this in mind, we decided we'd conduct our own Great Ted Mack Talent Search with two primary objectives in mind, one to try to increase our penetration of the local market place, Tampa-St. Petersburg, during that post Labor Day period, and second, to try to increase and maintain awareness during this period of time and use the ev-

ent as a means of getting some national exposure. We've got some slides we are going to show. The area is primarily a metropolitan base of about 1.1 million people in the Tampa-St. Pete--and all these people are within about an hour's drive from our park. The rest of central Florida, the major cities that were involved in our promotion effort, Sarasota, Clearwater, Lakeland, is what we define as our local marketplace. That's all within about an hour. Orlando and Daytona Beach are in our secondary market. They are close enough so we can visit.

The talent search format is known to all of you. It simply involves conducting a talent search, a talent contest, offering a cash prize for the top performers. The promotion involved some unique marketing challenges, and we had a two part campaign in one. In Los Angeles, you can announce it in the Hollywood Reporter or a couple of trade publications and get all the wackos of the world out there, who juggle and dance or whatever they do. In Tampa or the entire state of Florida, we don't have quite the metropolitan base or the entertainment base to draw from, so we had to come up with a different way of promoting auditions.

First, in promoting the attendance, Seven-Eleven Stores and Busch Gardens combined for the audition portion of the promotion. Large window posters, 22 x 30, were posted in Seven-Eleven windows by local dealers in over 900 stores in Florida, beginning one month in advance of the actual auditions. We had over 1,000 auditions by the time the whole thing was through. We didn't expect that kind of response.

We were afraid that if we conducted auditions for a ten day period, we wouldn't have enough people out there to fill up those auditions. We had more than enough. We had to turn them away. Radio promotions offering tickets to Busch Gardens were developed in four key local markets. In Tampa, WDAE Radio, one of the top listened to stations in town, conducted their very own talent search on the hour. You had about ten seconds to perform your talent on the radio. They did that for the entire duration of the talent show. It was about 17 days. Orlando and Sarasota listeners were presented this contest, we'll play it, by WMFJ. In effect we blanketed the state with radio promotions. It all happened at the same time. We'll play some of the promotions of WMFJ and we'll play some of the prerecorded announcement that Ted did up in the studio in Nyack or Yonkers or some place, sent down to us and preceded radio appearances and TV appearances that Ted conducted during the time in Florida.

(Tape played.)

MR. ROD CABORN: I think you get a general idea. There were a lot of stations taking part. It took Ted about 12 hours to cut all of these things. It gave us a lot of radio exposure in front of the contest and during the contest.

On TV promotions, you are pretty much limited to what you can do on TV, that is, TV appearances. The name "Ted Mack" is revered in show business. We didn't have much difficulty booking Ted on talk show appearances and guest appearances and the like in the area. Ted is 72 years old. He is not a young man. In 13 days of promotion, Ted made 12 appearances on different talk shows and what not in the area. And this doesn't include all the reporters and everything else that came out to see him during this time at Busch Gardens. He was just a tireless worker. We did all we could

to put him in front of the public.

On another portion, the advertising approach--we had to again conduct sort of a two part campaign. We ran two newspaper ads in the three Sundays in August. This was about a month before promotion, designed to encourage auditions and again, it helped to get some exposure to the special event. As the target date got closer, the message shifted into a motivational message, that is, to audition for the talent search and come out and see it. On Labor Day, our radio broke, and it sounded like this.

(Tape played.)

MR. ROD CABORN: Our TV broke the same day our radio broke. We showed film highlights extracted from our previous effort in Los Angeles. We'll take a look at our TV spot.

(Film clip shown.)

MR. ROD CABORN: I think you can get some idea of what we had out there. So we got through our promotion advertising phase. Remember, publicity was one of our objectives. Our publicity manager at the gardens had been conducting a massive local campaign throughout the entire series of things, resulting in breaks like these, using an Orlando Sentinel article on Ted and his Florida appearance. The promotion broke in Tampa. There was a nice break in the Tampa Tribune. They were very curious to see Ted and see the kind of acts that came out. Even within the park, we still had a communications job to do as far as promoting this type of thing. Remember, this was primarily a local market we were talking to so we wanted to generate lots of excitement and exposure to the whole promotion.

Within the park, we had to send out small flyers promoting the event September 2nd through 12th, highlighting the audition phase, and promoting the semifinals on the final Saturday of the event and then finally to watch the finals on Sunday, September 15th.

That gives you some overview of the type of promotion. The final results of all this, our total gate during the promotional period was increased by a full 20% over anything we ever experienced before, at this particular time of year. We were very happy with that turnout. The promotional publicity generated by the event gained national exposure. It would be difficult to put a price tag on that. This was part of our objective.

The thing we are trying to do in Tampa is to create a sort of constant montage of activities and events, of things going on all the time, to get different people to come out and see the park. Our promotion resulted in other people coming to us and saying, "Gee, we'd like to do some kind of promotion with you too." We got all our objectives accomplished.

MR. SPURGE RICHARDSON: Our next speaker started off at Six Flags Over Texas in the publicity department. He moved to Six Flags Over Mid-America, doing its publicity and public relations. He became the manager of promotions for the Six Flags Over Mid-America park. And so at this time, Tom Cason.

"Filling in the Weak Spots, or the Night Riders are Coming"
by

Tom Cason, Six Flags Over Mid-America, Eureka, MO

MR. TOM CASON: Thank you, Spurge. One of the inherent problems that we had when Six Flags Over Mid-America opened in Eureka was that we were 30 miles from the downtown St. Louis area, which is considerably further than our sister parks are located from the population densities in the areas. One of the things we decided we must do is be able to increase the visitations in the local market to a much higher rate than we were getting at the time, which was about 1.6 visits per year out of the people that we were drawing. So we decided to try a season pass. And the first year was in 1972. And we came up with a card that had five punches on it. You could come out for five times, \$15 for adults, and \$13 for children.

And looking back on it now, it doesn't seem like a very dynamite way to control anything. Obviously someone could buy one and get two or three passes and pass it on to a couple of friends. We'd still get some visitation. We don't consider those types of visitation incremental. So the original concept of the season pass was a group sales project, and the first year we sold 197, which is a little bit short of dynamite. We decided that we should really put some emphasis on it. We felt that we really didn't give the program the best chance that it could have had. So the promotions department announced the project in 1973. The first thing we did was change the entire concept for the card and put a lot of controls on it. The card now, we use the polaroid system, it's laminated; they are not transferrable. You get unlimited numbers of visitations. The cost in 1973 was \$15.50 for adults and \$12.50 for children, ages 6 to 11. The first thing we did was to do a direct mail program to basically the same types of demographics that we were using for our usual coupon distribution direct mail.

Our target audience was families with children at home, ages 10 to 18, with average income between \$12,000 and \$20,000. We started taking some newspaper ads in April, May, the early part of the year, and got a couple of radio stations involved in promoting the passes; in exchange for giving away one day tickets on the air and some other things that we put into it, they agreed to publicize the fact that you could purchase a season pass at Six Flags.

Then we put out 200,000 parking lot flyers. We gave them to everyone who visited the park, because we thought that was the best possible audience that we could have, somebody who had already been exposed to the park, plus the fact that we are bringing in about 15 name acts a year to appear in our amphitheatre. The result in 1973 was we sold 21,000 season passes, which resulted in 130,000 incremental visitations. So we started gathering data that first year because we wanted to find out precisely who our audience was, and we felt like we were on the right track. We wanted to know the age category, who bought the most number of passes; we wanted to know the average number of uses per pass because obviously if everybody was using them a hundred times, then the program would have to be questionable.

We found the average uses in 1973--and it has held true now for the past two seasons--the average visit pass came 7.6 times. The data we are gathering this year looks like it will come out

about the same. Of course, this entire program is the St. Louis local market. Almost all the people that we polled who had season passes considered it a good bargain, even the ones who didn't use it three times. Our pricing concept was if you came more than three times, the pass pays for itself. I would say 18% of the people never came three times and they still considered it a bargain, which is beyond me, how they can put that on a questionnaire. In 1974 we decided the program had flourished but we weren't really ready to give up on it. We felt like we could do a couple of additional things. We sold 23,190 passes, which was an increase of about a couple of thousand, in 1974.

This past season we decided to tie in the sale of the season pass prior to the park opening with our food store promotions in St. Louis because we had had a great deal of success at selling one day tickets for short periods of time at a discount rate through the food chains. And we got a great deal of media support. So we got together with our food store partner, and they agreed, we told them we would sell season passes through the outlet, but we would not discount them. So they wanted to offer the consumer an incentive so they gave a free book of Eagle stamps, which is a stamp in the St. Louis area. It's a very valuable item. It's owned by the May Company. These stamps were redeemable at the largest department store in town, several food stores. Or you can redeem it for cash. Each book is worth \$2.25. We made a deal with them to give everyone who purchased a season pass a free book of stamps and we would reimburse them for half the cost.

This season, we sold 28,152 season passes and had 199,538 visitations on this program. I might add that every year our price on the season pass has gone up. Our price this year was \$19.50 for child or adult. Next year we'll be kicking off our season pass book at about \$22.50 for a child or adult. The food store, incidentally, sold 9,841 passes in four weeks, which we thought was fairly good. It was about 30% of our total sales. The other thing that the food store did--whether they had sold 9,000 passes or not, we would have loved--they gave us such media support, it was unbelievable. We had a schedule running at approximately 250 to 300 GLP's a week on television. We have several 1,300 line ads that were running almost every day in their full page section, plus they were handling us on the front of their shoppers' guide section on Thursdays. So basically we were able to promote the sales of the season passes without dipping into our own advertising budget.

I might add another thing. The season pass program is probably not great for everybody. But we felt like if you really believe in the program, which we had to have done, or we would have dumped it when we sold those fantastic 197 in 1972. You just sort of have to take a look at what you expect to accomplish with it. We think we did accomplish a habit in a core market of multi-visits. We find now that our average visitation rate has gone up on one day tickets. Even people who don't buy the season pass are in the habit of coming out there more often because they are more aware of the amount of talent that we have in the park and all the special events.

We've run some analyses that show us that on times when we have name entertainment or special events in the park, we can expect support from the season pass holders to the tune of 1,800 to 3,000 uses that day. The good thing about them is they almost never come in the mornings, stay all day. They come about three

o'clock, which is when traffic flow is starting to level off. They stay until the first name performance show is over and they go have dinner and go home. The other reason it is great for us is we are in Eureka, Missouri, which, as I say, is 30 miles from downtown St. Louis. If you are at Six Flags and you are going to eat, you eat at Six Flags because there's no place else you can go.

One of the other aspects I'm going to talk about today is night business. Company side, we decided to do some night business programs. The programs varied slightly from park to park but our program at Mid-America ran from July 7 until July 27. For that three week period, we stayed open 'til midnight every night. We felt that the only economic way we could try and get people to come in after five and stay until midnight or get the people who came in earlier to stay longer was to have some type of entertainment that would run the entire week. So we called our first week "Wacky Week." Our attendance for that week after 5 p.m. was about an additional 13,900 people, which is quite honestly not as many as we had hoped for. We were hopeful that we could pick up anywhere from 4,000 to 5,000 additional people after five. But in going back after the program and analyzing it, we found that we were more than tripling what we had been doing after five because we were not getting that many visitations after 5 p.m. because we have no price break. Usually people who come in the park start trailing off considerably after 3 p.m.

So for Wacky Week we had some entertainers, we had Spike Jones, Jr., who definitely fits in with the Wacky Week concept. We ran these shows every night and the shows all started at 6 p.m. We had four shows each night, two from each performer because we wanted more attendance.

The second week was Magical Mystery Week. We had a Jim Frankenstein, who is not a household word, but he is extremely good at what he does. He is very much better than any mentalist I've ever seen work. We had another guy who catches bullets in his teeth, who got us a considerable amount of publicity. His name is Roland Kahn, and if he is still alive, he's a pretty good act. Our headliner was Carl Balentine, the Great Balentine. So during this week we decided to lower the price after 5 p.m.; and so from five until midnight, we offered a \$5 and \$4 front gate. Our regular price was \$7 and \$6. As luck would have it, it decreased. We had 10,750. So the third week was Nostalgia Week. We had Paul Revere and the Raiders for a week, another backup group called Bananas, and they did 50's music. That week the attendance jumped up to 17,000 people, a good 4,000 better than the previous best week and 7,000 better than the previous week--the same pricing offer.

I think what we discovered there is you have to have talent that people identify with, that have some draw, because Jim Frankenstein and Roland Kahn, they did a lot of things on television but just were not known well enough to get the people out. After the whole thing was over, we went back into the files and started analyzing what happened exactly. All of a sudden I started talking to the director of food and beverage and the director of gifts and souvenirs. And they said their per caps went up an unbelievable amount. So we got some of their figures and combined them with ours. And even though our attendance wasn't all we had hoped for, we still picked up a little bit better than 33,000 additional people that we had never had before for a three week period. And on top of that, our food and beverage and gifts and souvenir sales skyrocketed for that three week period because people were, in fact, coming in at noon and staying longer, staying until eight or nine

at night.

So we are going to stick with the program. I think that we have reanalyzed our objectives here. We are going to probably bring in a different variety of entertainment and do some more night time atmospheric things, like more fireworks. This again is the first year of this program. We do believe in it so we are going to stay with it. I'll share with you just very briefly a couple of things that some of our sister parks did, which worked very well for them.

Astro World, which we just took over in May in Houston, decided to start a night business program. They ran it from June through Labor Day. They sold a two night ticket for the price of a one day ticket. The ticket was good only after 5 p.m. until midnight on any two days you wanted. They did not have to be consecutive days. What happened was their attendance increased considerably. One of the most unique things is that only 40% of that second day ticket was ever redeemed, so 60% of the people who had the option of coming a second time didn't come. But the total attendance went up. So from a per capita standpoint, it was better than had all 100% of the people used it a second day. They are very enthusiastic about the program. They plan to refine it a little and continue it.

Our park at Six Flags Over Texas between Dallas and Fort Worth has an Electric Night Parade featuring a character called Cyrus T. Cosmos, so that Texas would have an appeal every single night that they were open. They really put their thrust in advertising from June to mid-August, and they experienced a very similar pattern to what we did. They definitely had an increase in spending in the park and found that people were coming out with the intention of staying later and enjoying the night lighting and the atmosphere because the park does completely change in the evenings. And this was one of the things we had been trying to get people to come out and witness so they would come back.

Six Flags Over Georgia did the Emmet Kelley Circus. I think it did very well. If there are any questions later, I'll be happy to answer them. Thank you.

MR. SPURGE RICHARDSON: We've heard from the Busch Gardens, we've heard from Six Flags Over Mid-America, we're going to take a different approach now and let you hear how the zoo has done. We have with us Richard Cooper. He is with the Philadelphia Zoological Garden in Philadelphia. Richard.

"The How and Why of Zoo Publicity"
by

Richard Cooper, Philadelphia Zoological Garden, Philadelphia, PA

MR. RICHARD COOPER: Thank you. I'd like to preface my comments by saying there are many things that a zoo cannot do. We more or less have to consider ourselves a cultural attraction. You are probably aware perhaps that zoos have a great many critics out there. At the same time we have to worry about funding because most zoos are either municipally or society operated. There are a few private commercial zoos. So we have to get our money not only at the gate but through the sale of refreshments, souvenirs, but through federal funding or state funding or city funding. With that in mind, I'd kind of like to stress that flavor of the how and why of zoo publicity, which to some extent, will differ from the commercial parks.

It has been said that advertising is buying space to promote your product, service or facilities. That's certainly an agreeable statement. It's also been said--as a matter of fact, it was said here last year--that publicity is stealing space. I'd like to quote to you from the Associated Press Managing Editors' manual that warns journalists, "Your immediate job is to serve the readers, not the man who would raid your columns." So you see already the approach to so-called PR people. It's not an easy job.

Stealing space or air time, as far as we are concerned, with exaggerations, partial truths and excessive gimmicks, and pressure, is a method which we have experienced to be almost predestined really to short term results and short term respectability with members of the press because they too look at us as more cultural than a fun type thing in a sense. We feel, therefore, that if you don't take a more serious approach to your publicity, the PR man of that organization is going to build up a disbeliefability in actuality. In some cases, if it is extreme enough, actual contempt, rather than being viewed as a practitioner of good public relations. The fact is that the day for us in the zoo world of dressing up chimpanzees is gone. As a matter of fact, someone has gone so far as to say, out of modesty, that we should put pants on our elephants. I would like to caution that your PR manners really, as I hope you all realize, are a direct reflection upon your facility.

At the Philadelphia Zoo we jealously guard our media support and we do not attempt to steal publicity, but rather we look at it as earning it, in part, through a long term program of quality press releases that have at least some legitimate merit and newsworthy reason for being issued. We also don't tell the media or its practitioners how to do their jobs. We respect the fact that they've got to consider their own sense of what makes news and we have to go with it. I'd like to say how this basically has worked for us, at the Philadelphia Zoo, at least.

During the calendar year of 1974, based upon the clippings which were available to us, the Philadelphia Zoo received 5,179 column inches of news space from local, regional and national sources. Included in this total were 228 photos, 139 photo captions, 679 articles, 117 front page items, 20 articles in magazines and trade publications, and 519 mentions in conjunction with other zoo related activities and events. During the year of 1974 our department issued 72 press releases. This does not count the optional coverage from so-called weather stories.

It is true that during 1974, the Philadelphia Zoo did celebrate its centennial as the nation's first zoo. But we feel that without this prior media report, our centennial could, to a large extent, have gone virtually unnoticed. In addition to the newspapers, the zoo was covered 84 times during 1974 by television film crews and radio beepers.

As a respectable contrast, we received 4,728 column inches and 80 television news coverages during 1973. Currently, our scrapbook for 1975 strongly indicates that we'll at least equal our increased 1974 results.

Again, I'd like to stress that in our view, publicity should be an active attempt to report. And I think that's the key word, to report your facility's activities, events and accomplishments in a favorable, newsworthy fashion. To us that is not stealing space. That's giving news and receiving publicity. And I might

add to that, of course, we are on a budget, a very tight budget, as a matter of fact. But the totals I have read to you do not reflect not one bottle of liquor. We don't give gifts in that sort of manner. We of course offer coffee to those who are on the job if they want it. And we do offer annual passes and tickets to members of the press. But in Philadelphia most of the papers now have a policy whereby reporters and writers are not permitted to accept gifts. So I simply tell the men on the job whenever they don't want tickets to let me know.

Our procedure for press coverage is not very complicated. First, the Public Relations Department at the Philadelphia Zoo consists of 1,707 members. Seven of them are homo sapiens. The rest are birds, mammals, and reptiles. We're responsible for the limited advertising the zoo does, plus membership, magazine publication, promotional brochures, hosting VIP's, general promotional activities, such as preparing radio and television public service spot copy, a monthly employee newsletter, and coordinating inter-institutional projects.

The zoo's PR staff consists of myself, an assistant director, a staff assistant, secretary, membership secretary, a printing shop man--I had to use that word, who is union, and a full-time photographer, who is also union.

At one time or another I would say everybody in the department has had a hand in press relations, whether servicing the press or making arrangements by telephone. We feel we have a good bunch because we can really rely on somebody to help us out when we need it, if we always help with some other project.

Another thing I think is important for any organization, commercial or nonprofit, is the fact that when the press does call with something they'd like to do, we at Philadelphia always make it a point, no matter how inconvenient it is, to say, "Sure, come on out." We never say, "That's kind of short notice; come back tomorrow," or something, because we know that tomorrow we may be calling on them and hoping they will help us. And we have found that this is a very easy two way thing. It's greatly appreciated by the press. Such cases, such as a new animal birth, the particular species is researched, we consult with the curator to make sure our facts are accurate because this stuff goes out to other zoos, and zoo people are very fussy about what you say about any particular species. We prepare the release, set a different time and date, mail it out in time that the deadline or press time can be met. And we do try to keep our press releases to one page. The only exception to this would be if we have a new building or something that would require, say a fact sheet or perhaps second page. Not only does it save us money, but we have found, too, that as far as handouts, the press, the city editor, would just as soon go through one page quickly than have to fool around with more than that.

I know that some PR textbooks say that you should not put a headline on your press release, but I personally disagree with this because I view a headline on press releases as more or less a stop sign. If you consider the TV assignment editor or desk man has got to go through all sorts of handouts, and we'd like to hopefully have him stop and read some of ours, certainly at least as far as the lead paragraph, and also decide whether this is a picture story or something we can squeeze in because perhaps it's soft news. As far as the headline, I think they should really be a little bit more than a bubble or something. They should foam but

without overreaching. Because if they don't go any further than that, you don't get the coverage.

Between the headline and the equally important lead paragraph, the editor at this point should know at this time whether it's worth assigning the photographer. I think it's only fair to assume you won't get great coverage on every story obviously because there are too many variables. It's happened that we've put out a press release on such a common birth as a goat and gotten a 100% local turnout, whereas, another time, we put out a press release on an endangered species, such as an orang-utan and maybe only had 50% turnout. When you are in and believe the zoo business, as I do, and we all do at Philadelphia, it can get frustrating when you see an important, major birth, which of course concerns conservation and preservation of species getting that 50% compared to a common animal. There is some of this cutesy stuff that we also have to put up with. The press would rather have often times the little kid with the animals.

Another thing we do with our press releases is once they are mailed, we always call the major dailies and the TV stations either the afternoon or the morning of the event. And the purpose of this is we have found and heard from many a city editor, "Gee, I'm glad you called because we never got the release." So we like to back up the U.S. mail. If somebody sees it and it gets lost in the shuffle, we have actually picked up a great deal of coverage this way because the guy who is right there then assigning his photographer for the day has to know about it. And for some reason if there is a short circuit, you lack the coverage.

Also in our press we usually include community weeklies and suburban dailies in our mailing lists. This was not the general practice before I became the PR director. But as a result of our clippings, I found that smaller papers will often handle a story that the majors may not consider that important or that good a picture story. Also, we seldom drop in and sort of more or less jam press releases to editors because we think that they may be too busy to be polite about it. So we don't really do that unless it is an emergency situation whereby we can't mail it and we have to get it to the press right away. Then we will deliver it.

Next, we do not also attempt to kill a story. Once it's out and it's bad news, we just do the best we can with it. Of course, I guess you mostly all realize that the best way to prevent bad press is to eliminate the circumstances. And I guess in many of your cases, that would mean preventive maintenance on your rides. And for a zoo, for instance, that would mean making sure your keepers keep the doors locked.

And speaking of doors, we use our darkroom and our photographer to advantage. Most of the local major dailies normally do not accept photographs from other than their own people. Occasionally they do. But if they consider it worth covering, they will send their own man. However, the Philadelphia AP wire service regularly accepts material from us. We will dig out some old undated photograph, such as a pair of prairie dogs kissing or something, put a little caption on it, and the AP moves it, it's on the way. We've picked some regional and national coverage on these things.

Weather stories are another natural for us. On a hot day, for example, a shot of an elephant being hosed down or a sea lion enjoying the pool water, just floating around lazily like you and

I might do at the beach, makes good copy. Or say, in the winter-time, in the middle of a snow storm, a shot of a Siberian tiger maybe chasing snow flakes, which I have seen--also makes a great story. And it's kind of a nice warm contrast to the harsh news of the day.

Also, in our publicity efforts, we don't overlook the important medium of radio because we feel it is widely available, perhaps more so than television. It's in your car, at the office, in the kitchen and even on the beach.

Since 1971, I've been doing a weekly program called "What's New at the Zoo." It's actually a report that's aired Friday, Saturday and Sunday on a major all-news station back in Philadelphia. Hundreds of thousands of people hear this in our metropolitan area; and of course weekends, as in most of your cases, are my days. So if they are waking up in the morning and saying, "Gee, what are we going to do today? I don't feel like cutting grass." Hopefully, this will be a little reminder to them that there's something new at the zoo. Although being nonprofit, I don't have to really limit this to what's new. I can often promote membership, explain what we do at the zoo and the fact that we need money and so forth.

Another area of publicity potential that we make use of, for instance, is this fall we had a major department store chain come out and shoot their entire fall catalog at the Philadelphia Zoo. And this again went out to thousands of people. It was great for us. The fact that we made a \$100 servicing fee is a little extra bonus. If we had to, we would have probably done it free.

Also, this past year, we have had fashion spreads done by newspapers. And whenever a newspaper wants to come out and do something, we do not charge any servicing fee even if it ties up myself or one of my people for a day or two because again, it's good PR with the press because they go back and say, "Gee, those people at the zoo; they want help, but they didn't do this or they didn't do that." It's not too good as opposed to going back and saying, "Gee, they really spent time on us. I was surprised," which they often do.

Also, when a free-lance writer calls up to do a Sunday supplement, obviously we cooperate. Usually in February or March, I would call the two major dailies in Philadelphia that have a Sunday supplement and give them a list of suggested topics. And between that and the free-lancers who are out looking for material, we usually get together between one of those newspapers and the zoo with a feature article, which, of course, we enjoy. And these usually come about April when our season is getting underway.

Finally I'd like to say that publicity efforts are not only designed to stimulate attendance, but also to gain what a zoo needs, long term understanding of what a modern zoo is. And of course, this, in an indirect way, is a sense of defending ourselves against the many anti-zoo groups which exist. And it's true that Philadelphia Zoo is a major regional attraction, but we do not consider ourselves an amusement. We have about 1.1 million visitors every year, and our annual operating budget is just about \$3 million.

We feel, in conclusion, that any zoo worth its feathers has to get across the message of what they are about. In addition to just being recreation, we must continually remind people, the average public, that we are interested and very much concerned with

conservation, scientific studies, education, because--returning full circle, really--this gives us respect from the press media and at the same time with those that we try to hit for additional funding.

CHMN. HUGHES: Now, we have Jaci Harrison from Krofft International. Jaci represents a new facility here in Atlanta. We are delighted to have Jaci with us.

"Promoting an Attraction Before It's There"

by

Jaci Harrison, Krofft International, Atlanta, GA

MS. JACI HARRISON: About a year and a half ago when I went with Krofft International and found out that my title was director of public relations and promotions for The World of Sid and Marty Krofft, the world's first indoor highrise theme and entertainment park, I knew I was going to have some trouble communicating with the press and other people in industry and promotional opportunities. We felt like we had a complicated message and we needed even at that early date to acquaint our core market residents with what was happening. We commissioned an artist who is well known for his book jackets and albums to give us a collage of his impressions of the World of Sid and Marty Krofft, and it turned out very beautifully. We put it into about seven billboards, and they are on a rotary system in and around the city. We can tell when it moves, because on that day, we average about 30 calls. When it gets down to about 10 calls a day, we realize that it's time to move them again. That was very successful for us.

Those billboards don't attempt to tell a whole story. They give an impression. It's an overwhelming impression. But Atlanta tends to be comprised of residents who are very curious, and they took it upon themselves to call us. When someone else asks the question, it's a lot easier to help them understand what it is we are doing.

Secondly, we have to look around and realize, sure, we don't exist except as a construction site right now. What we do have though is Sid and Marty Krofft, television producers; they have four network television shows on right now, do a lot of specials for everyone from Racquel Welch to Donnie and Larry Osmond. And I felt that taking them around and presenting them to different kinds of press might be the next way to go. The success of that is fine, and it went well. But if you had been here at the time, I think you would have been croaking along with me. Marty Krofft would get up there and explain very carefully that the World of Sid and Marty Krofft is not a thrill ride opportunity. In fact, the major emphasis is upon live show presentations upon each of eight levels. And then he'd say, "Sid, why don't you tell them about the Krofft puppet theatre?" And Sid would say, "It is so thrilling." And I had some problems. So from there we flew a lot of press people to Los Angeles to go to our show business factory where 165 people from 17 different disciplines are responsible for each of the elements inside the world. We had a lot of interesting opportunities develop from there. We had one story in the New York Times about one of our model mission liftoff engineers, who talked about the fact that in the past, he'd been responsible for moving thousands of tons of careening rocket from the atmosphere, right out of it, and now he spent his time developing complicated designs--it was those kind of techniques that really worked for us. We took a look at every opportunity where we didn't have to show the world to express its message. And those include parades.

We'll be in the Orange Bowl Parade this year. There's a very big and popular promotion here in Georgia called "Stay and See Week." It's a bicentennial promotion sponsored by the Chamber. What it amounts to is attractions, particularly displays, and bring them to Lenox Square, which is our number one shopping mall, and it is promoted heavily in advertising. We developed a display that was a lot of fun. It had a huge vulture named Orson that moved along like this and fascinated kids. His eyes rolled back. The magic of it was beautiful to watch, and more importantly, told the whole story of the World of Sid and Marty Krofft. We won first prize and got state wide publicity.

I guess what I'm learning as I go through, in a preopening sense, publicity, public relations and promotions are the same thing. Getting the word out. Some other changes that have occurred that are a little more subtle, Sid and Marty Krofft Productions is a block cube logo that used to show up at the end of all the television shows they do. If you watch Saturday morning TV or any one of the prime time specials, you'll see the logo now, says "The World of Sid and Marty Krofft." In addition to that, when NBC reaired their peacock, they picked up H. R. Puff and Stuff as an ambassador.

Yesterday in the paper, we learned another important lesson. The front page paper referred to us as a fantasy world. We have struggled and struggled with what to call ourselves. The world's first indoor highrise theme entertainment park is not working. I think we will stick with "Fantasy World." It suggests what we are about. We had to eliminate "park," because "park," by definition, is something that is outdoors. As we got closer and closer to our grand opening, which is scheduled for March, we spent time and a lot of money in marketing research program. It is no longer like the days when you could just say, "Okay, I've got the capital. I want to open up a park, and we'll stick it here and open the doors and people will come." Through our marketing research, we attempt to find out what people like, when they will come and how they felt about a lot of things. We learned, for example, that the word "puppet" is not necessarily a good word to go with, that creates an image of child-like appeal. Even though--those of you who are familiar with Busch Gardens of Virginia or various Six Flags parks, Knott's Berry, may have seen the Krofft theatre puppet productions, and they are fantastic and elaborate, with much more appeal than for just children--it still by itself can convey that image.

Other problems that we had in developing adequate bargaining resources, it really became selling opportunities. How do you get people into a highrise entertainment complex logically in one place so they filter through the park and come out at the exit, wherever we determine that to be? Looking back on it now, it looks like it was a logical explanation. At the time it wasn't. We found the world's longest above ground escalator that takes people from one end of a huge megastructure, all the way up to the eighth story main entrance to the World of Sid and Marty Krofft, where they sift on down at their own pace and with options from floor to floor, but they do come out at one end--all exit.

We looked too to develop a program that was from three to five hours as opposed to an all day entertainment experience for a lot of reasons for us that seemed very sound. Through our marketing research, we have been reinforced with the belief that today's life style implied people did not necessarily want to give up a

full day or two in their own hometown to do just one thing. So we are positioned inside a five and a half acre complex that has a gigantic green ice rink, six movie theatres, ten restaurants, a few art galleries, five levels of shopping, a European street market, a 500 room luxury hotel and our own building, the World of Sid and Marty Krofft. All of that is a tremendous draw, and it's physically attached to the Omni Sports Coliseum and what will become the new Georgia World Congress, which opens in September.

Strategy has worked to our advantage because we are indoors we are open year round, and weather will not be a factor. And that's important to us and to our visitors. We'll be able to emphasize shows and the ever changing show productions on every level. I feel like the thing that worked most for us was to smile a lot, to take people in and around the construction site--a lot of you were there yesterday for our presentation--and most of all to just keep the promotion in motion. Thank you.

MR. SPURGE RICHARDSON: Our next speaker is Jim Patten, from Shaheen's Fun-O-Rama Park.

"Riding Jackie Kennedy's Coattails"

by

Jim Patten, Shaheen's Fun-O-Rama Park, Salisbury Beach, MA

MR. JIM PATTEN: We thank you. Jackie Kennedy, wherever she goes, whatever she does, national coverage by the news media is a common thing. For an amusement park of less than two acres, such as Shaheen's Fun-O-Rama, national coverage is a major accomplishment. We truly were riding Jackie Kennedy's coattails because she made the front page on a sold-out issue and we only made an inside page.

The point is we did have our photo printed in a national newspaper. Incidentally, this paper has the largest circulation in the United States. This photograph was printed, promoting both the amusement industry and especially Shaheen's Fun-O-Rama Park. The caption reads "The swinging cardinal. Fun loving Cardinal Medeiros, the archbishop of Boston, soars over Salisbury, Mass., with two real live flying nuns. They are riding the Yoyo, a swing ride at Shaheen's Fun-O-Rama Park on Salisbury Beach."

To get photographs worthy of national publication takes very definite planning and work. We hired experienced high priced photographers who have the imagination and the skill to put the shutter at the right moment. This photo went out on UPI, United Press International. The photographs themselves are only tools of the trade for a good public relations agency. Our agency, Harry Paul and Associates of Boston, has experience and capability to get our message into the media, not only throughout New England, but many times, nationally. Several excellent photos were taken this year when Cardinal Medeiros hosted a group of nuns at the park. He was most cooperative in allowing us to use him as a photo subject. Obviously, it really helps to have someone in the public eye to work with. This photo was sent out nationally and even reached as far as Honolulu with a four column, seven inch spread in the Honolulu Advertiser.

A photographer, no matter how good or how well paid, cannot do it all by himself. Good photos sometimes happen by chance, but don't count on things always working that way. A photographer's time should be carefully thought out and well coordinated. This photo with the cardinal on the Yoyo was also sent out UPI and pre-

sented as the cardinal and the flying nuns on page one of the two major Boston papers, the Herald American and the Globe, plus many of the major papers throughout the nation. Another photo of the cardinal was put out on UPI wires, was accepted and published all over the country including the Los Angeles Herald Examiner.

National publicity is often hard to achieve when you are not working with a celebrity, but it can be done. A photo of the Yoyo interestingly enough did not appear to be newsworthy; however, the photographer earned his money again, transferring it into this-- to create the nighttime effect, he reversed the normal print to a negative. Again, UPI liked the photo and sent it out on its wires.

Favorable publicity is probably the best advertising. It may be the least expensive method of promoting your area. A spin-off of these photos which created more exposure for us on a national broadcast TV show, Hollywood Squares--one of the questions asked was, "Is a cardinal allowed to go on amusement rides?" The answer of course came easy. Of course he can.

As we go along, the next few slides will give you an idea of the type of photos we have successfully used to promote Shaheen's Fun-O-Rama Park. Kids are great subjects because no one can resist a smile when they see youngsters in situations enjoying themselves. Photographs and handouts to the newspapers, regardless of how the papers acquire them, are printed by the editors only when there is some human interest involved. A photo of an amusement ride by itself, although it may be outstanding, would be of no interest to anyone except those interested in amusement parks. However, if you add life to the ride, you may come up with a photo that the American public is interested in. Any photograph is more interesting when you add people, animals, children or stuffed toys. This is what newspaper editors are looking for, photos that their readers will enjoy seeing and reading about.

An all American favorite can be used to create interest. I must tell you that this is the writer's favorite approach, using this theory. If one doesn't do the job, two certainly will.

Let's get back to the kids end. The kids are almost always easy to work with. The results sometimes can surprise you. Use any background that's fine for the kids--they'll do the rest, and they'll give action to your shots. But if you give a youngster a job that's a little too tough to handle, just watch and take pictures of them trying their best. Sometimes the youngsters will tire of this whole procedure. But that's nothing that a slide ride and a good place to rest won't cure. The environment that surrounds the youngster can often influence their appearance.

Looking forward to 1976, Jackie Kennedy Onassis should watch out, because we are shooting for the front page, and she'll have to settle for a back seat on the inside pages.

CHMN. HUGHES: I might say that park that Jim is manager of covers a total of 1.8 acres. So it shows that you don't have to have a Six Flags or Disney World to get good publicity. You can do it with anything. We now have Bonnie Anderson who is public relations and promotions director for Bob-Lo Island, which is right across the Detroit River in Canada, a very nice park. And we are happy to have Bonnie.

"Family Day Ticket"

by

Bonnie Anderson, Bob-Lo Island, Detroit, MI

MS. BONNIE ANDERSON: Good afternoon. I don't know how many of you are familiar with Bob-Lo. We are a park on an island about 15 miles downriver from Detroit. Bob-Lo is a Canadian Island of approximately 240 acres in size. Our primary market consists of about a million people from the Canadian side and about five million from the U.S. side. To get to Bob-Lo, all of our customers have to take a boat from Detroit or Wyandotte, Michigan, U.S., and all our Canadian customers must take a five minute ferry ride from the main land to the island. Some of our customers arrive in their own boats, staying in our island marina. Bob-Lo is a major park consisting of approximately 25 major rides, a 10 ride Kiddie Land, a zoo, games and activities, roller skating, miniature golf, entertainment, marina and picnicking. We normally draw approximately 750,000 in a 100 day season.

Up to a few years ago, Bob-Lo's customers purchased a boat ticket for their trip to Bob-Lo and on their arrival in Bob-Lo Park, paid a nominal admission of 25¢ and had to purchase individual ride tickets to get on various rides and attractions being offered. We recently converted over to pay one price system for those who wished to package their spending, and we have had great success with it, with over 70% of our total customers using the one price ticket. Our one price ticket is a little unique in that it also includes the cost of the boat transportation to get to the park. Because of adding the boat fare cost to the pay one price, which in a normal situation, includes rides only, we have had to charge more for POP to cover the boat cost, resulting in 1975 to prices of \$7.50 for adults and \$6.50 for children from Detroit and \$5.50 for adults and \$5.25 for children from Canada. Cedar Point charged \$7 for a pay one price in 1975, causing the price disadvantage. We attempt to show to potential customers that our price is very reasonable because it includes a boat fare. However, the unfair comparison still continues.

As we entered into our 1975 season we were hopeful and also very concerned about our economic situation in the Detroit markets. We knew we had to overcome a substantial loss brought about by the closing of the automobile plants and supplier plants. We then turned our attention to various sales promotion ideas to fill the gap. We developed several ideas and put them into effect. Some are good; some are not so good. However, we did have great success with our family days promotion involving family tickets. I'm sure all of you have requests for family tickets, and we have for years and could never get the nerve to do it because we always figured a family ticket should be one price, regardless of the size of the family. And we couldn't determine for sure just what would be a good price for us and a price that would offer sufficient savings to the customer to motivate them to come to the park. But since this was the year we were forced to try everything, we determined to give it a whirl and see what would happen. First, we decided to put the price on a sliding price as follows: from Detroit and Wyandotte, a family of three cost \$16; four cost \$21; family of five cost \$25; family of six cost \$30. From Amherstburg, a family of three cost \$10; family of four cost \$14; five cost \$18; and six cost \$22. To conduct this experiment, we selected a five day period, Monday through Friday, for our Canadian customers and four days for our Detroit customers, two days one week, a Wednesday and Thursday, two days the following week, a Tuesday and Wednesday.

We developed our advertising on a minimum basis, ran two newspaper ads for the first two days in Detroit and two more ads for the second day period. We also ran two ads in the Canadian market. The results in Detroit were very slow the first two days. Approximately 30% of our customers were familiar with the plan and the impact was nil. We again ran our ads; in the second period in Detroit, things livened up. We had a tremendous turnout. Our Canadian market turned out fairly good on Monday. By Thursday, we were really rolling; Friday, we had torrential rain, and we died. As a further incentive for the Canadian market, we hired Bozo, the Clown, who starred in his own TV show for ten years with the local Canadian television station, to appear on the island, Monday and Friday from 2 p.m., the week of the family day promotion. Because of the rain on Friday coupled with inadequate prepublicity, it did not come off as well as it could have. We had a total of 20,000 customers using the family day tickets. We discovered our average family was 4.4, both in the Canadian and the Detroit markets. We received approximately \$5 per person from the Detroit families and \$3.11 from our Canadian side. The customers' savings ranged from \$5 to \$11 from Detroit and \$6.25 to \$10 from Amherstburg, and this is based on two adults per family. These figures, of course, made everyone happy. We were so happy, in fact, and the potential so great, we had decided to expand this promotion into a regular event at Bob-Lo for 1976. We intend to expand the number of days, and we are even considering one day per week as a family day with a family ticket. We will raise the price for 1976 one dollar for each price category from Detroit and two dollars for each category from Canada. Thank you very much.

CHMN. HUGHES: Last, we have Scotty Macdonald from Idlewild in Pennsylvania, a very beautiful park that promotes by going to travel shows.

"Travel to the Travel Shows"

by

C. S. Macdonald, Idlewild Management Co., Ligonier, PA

MR. C. S. MACDONALD: One of our operations is Storybook Forest, which is a theme park type walk-through, geared toward children. We felt that we were going to draw from outside our normal market area, which is about 50 miles. Idlewild Park is a booked family picnic park, and, therefore, Storybook was going to be something new and different for us. We checked our parking lot and saw that we had license plates from Ohio, West Virginia, Michigan. We said, "Look, we do not have overnight accommodations at our facility, but we are in a tourist oriented area." And so we got together with local attraction owners and came up with a tourist promotion agency, which went along very well with the system that the State of Pennsylvania was coming up with. By pooling our resources, we were able to make ourselves a travel destination. Keep those words in mind, a travel destination for your smaller operators. This was really the key word. You can sell your park or your attractions outside your area. And we looked toward about a 600 mile radius. By becoming a travel destination so that a visitor can stay right close to you for one, two, or three days, you are working in conjunction with local motels or resorts or whatever in your area. We pooled our resources together, got some funds together and started going to travel shows.

In our case, we hit Cincinnati, Columbus, Cleveland, Akron, Toledo, and Detroit. The reason we went this route was rather than spending advertising dollars in those areas, we knew that those

people that came to see the shows, were actually going to go out and travel. So we had our market group kind of narrowed down, and we could work on it. By going to about six shows, we were able to cover a large area, the most amount of people we could possibly get to. And we were able to market our product very nicely.

Now, how much money you spend in doing this depends on how big you want to go. Six Flags or Busch Gardens may use four or five booths. In our case, we used an eight by ten booth. One of the gimmicks we used, we took some of the mannequins out of our theme park, there were two checker players sitting over a barrel, checkerboard, and put them in the booth. The checker players drew a lot of people. The kids would come by and see me; and quite often, kids determined where the parents traveled, especially for a one or two day trip. We gave out information, printed brochures, rate schedules for local motels and whatever. In our business, we have historic peak and valley situations normally like Busch Gardens. Ours seem to peak in the summer and drops off immediately after that mainly because we are closed. The reason, what we were looking for was the latter part of the summer weekday business, and we were able, by the use of travel shows, to pick up the one or two day visitor to our area, and for a very small amount and for very little man hours. We got exactly what we wanted. We got the visitor, picked up our attraction business; and for a small amount of money, it's the best way to go. Try and make yourself a travel destination; and from there, the thing opens up unbelievably. Thank you.

... The workshop adjourned at 3 p.m....

MARKETING WORKSHOP
GROUP SALES TECHNIQUES

SUNDAY, NOVEMBER 23, 1975

TARA BALLROOM 2

The Marketing Workshop convened at 1 p.m., Carl O. Hughes, Kennywood Park, West Mifflin, PA presiding; guest moderator for the Group Sales Techniques portion of the workshop was Harry Henninger, Kennywood Park, West Mifflin, PA.

MR. HARRY HENNINGER: Our first speaker today is a young lady from Tucson, Arizona, Marguerite Weirich.

"Making Sales Grow in the Desert"
by

Mrs. Marguerite Weirich, Old Tucson, Tucson, AZ

MRS. MARGUERITE WEIRICH: Good afternoon. I walked in here, and everyone said to me, "Oh, Old Tucson." This full regalia is part of the sales gimmick. I wear it at all times when I'm working in Arizona. It looks a little funny in Atlanta, Georgia. Even though I serve on many of the local chambers, mayor's and governor's committees, I go to all meetings in this full rig, but when I walk in, they know I'm Old Tucson.

Old Tucson is both a movie location and a western theme town. Our rides are a minimal part. We have four. We did a survey about a year ago and we found that people today are very, very west-

ern oriented and expect that kind of thing in Arizona. We're open 365 days a year. For most of the year we close at 6 p.m. This summer was one of the first times we tried the nighttime operation. Therefore, our group sales started out as a utilization of a physical plant. We have a sound stage that's 180 by 80 feet. We'll seat 1000 people for dinner, and this stage, built, of course, for the motion picture industry, is in use for maybe three to five major motion pictures a year, plus television series, commercials, but it stands idle a great deal of the time. We do use it to do movie tours during the day. I think we're doing about eight tours a day now.

So currently our group sales are geared to the nighttime functions. We have a western bar set inside, and the group sales efforts at night will be about 10% of our gross. This has been happening just in the last two years. We put some real effort into the sales. Our theme is that a group does arrive, and is met by a couple of actors in full regalia with the sidearms, boots, hats. They're escorted up to some sort of a cocktail location. We've got to keep cocktails separate from dinner. We do have a facility that will take 1,000 people standing for cocktails, and then they will come in and get a drink and wander up and down the street. The town is theirs for an evening. To close the bar, we use the gunfight. So after about an hour, a couple of cowboys come in and fire guns. Everybody drops their drinks and goes out on the main street. We show a show which lasts about 18 minutes. They can take a drink with them.

As soon as that's over, we direct them into a different location. This keeps them more or less sober. We reopen the bars after they are served. After dinner, we'll go into either western dancing, Monte Carlo nights. Some of them do want meetings, and we'll set up the dais and head tables and that kind of thing. Each party is really tailored to each particular group.

We do try to keep the menu and the entire climate western. We try to stick to barbecued steak, mesquite boiled steak and things like that, and I think we do it very successfully. Our crews that do this are all part-time. I think we have eight master sergeants from the air base that work for me. I have a couple of TV engineers. These guys are moonlighting at night, and they are the basic part of my crew. They work at a more or less minimal wage, but they enjoy playing cowboys, and I think that's why I've got a pretty good crew.

Our town is not industrial. I've been talking to a lot of you here on group sales, and you're heavily oriented to the picnic, the daytime activity. We have never been able to get this going. I'm hoping that we can figure that out, too, but we don't have heavy industry. We have Hughes Aircraft that employs about 5,000. We do have the air base and the university, but outside that, there is no large, mammoth corporation so we can sell the park for the day.

I'm very active with the convention bureau, because this is where about 80% of our group sales come from. I get their lists of pre-booked conventions anywhere from three months to five years in advance. We contact them by letter. We do send out a brochure. We have a three or four part package here. One is just a catering brochure. I enclose a general park brochure, a rate sheet, and an article on what the parties are all about. This is the only mailing piece that we do, and we do mail it to everyone who does

book a convention for Tucson. When these people come in for site selection, the convention bureau invariably brings them out to us, and once I get them out, I think there are about four people who have come out that I haven't sold, because before they come, the convention bureau has done my sales for me.

Another gimmick, I do belong to the Innkeepers as an associate member, but the only reason I do is to know all the hotel people. They too will get a group or a convention in. They cannot book them every night for a banquet at their facility. If they can give them something interesting to do, they will stay later at the hotel, so they all sell for me. Every hotel manager in the city of Tucson works for me in that regard.

We get a great deal of business from the tour brokers, from the bus companies who are doing your regular tours. To get to this market, I have been attending the DATO pow-wow each year, both the international and the domestic, which is strictly a travel agent, tour broker organization. The American Society of Travel Agents, the Professional Convention Management Association, which books almost all medical conventions, the American Society of Association Executives--these are the markets that we are hitting, and doing a pretty good job. When I go in, I cannot sell a convention for Tucson or Old Tucson, so I always go in in conjunction with the convention bureau or a hotel, because until we get them in town, I can't sell them anything.

We can handle anything from 50 to a 4,000 person group for dinner. The Shriners were in town and bought the park for the night. This spring I'll be doing a 5,000 person party for the local Hughes Aircraft people, so we're pretty flexible on numbers. We have about 15 acres in actual buildings, although we're in a 360 acre area. I think that word of mouth is your next best sales tool. When you get them out there, you better make them happy, because that's the thing that can hurt you the worst. I've had one complaint in six years, and I think that's a pretty good average, and it was justified. And this December 20th, I'm doing the entire party over at no cost to the group, because we goofed, and I think I owe it to them.

I think that is basically our program. As I say, if I can get some idea from you people on how you sell the daytime thing and what your ideas are there, because ours is a nighttime function. Thank you.

MR. HARRY HENNINGER: Thank you, Marguerite. Our second speaker today is with Riverside Park in Massachusetts, Joe Mahoney.

"The Way to a Group's Heart is Through its Stomach"
by

Joe Mahoney, Riverside Park, Agawam, MA

MR. JOE MAHONEY: Thank you, Mr. Henninger. Group sales and outings, either midway or grove, are a vital part to any park's successful operation. Not only do they bring people of all ages to the park on any given day or night, but also could be the first time that they have come to the park. We at Riverside Park put a great emphasis on group sales. It behooves every park operator to cultivate these people: put on your best showcase, be sure they like what they see. A good clean park, well secured, with exciting rides, wholesome food, great games, top entertainment and courteous employees should be the watch word, and also, a price that the customer can live with, and also the park, so that the

park is not running for practice. If they like what they see, they are sure to come back as individuals and families. This is what every park strives for.

I will endeavor to give you a typical outing as we book it at Riverside Park. Early in October, I send a letter to the customer with the date and day closest to the previous year's outing. This is followed up by a personal call to set up a meeting with a committee at the park, at which time we serve them a dinner similar to the one they have chosen to have at their outing. In this meeting, we discuss details, price, date of guaranteed deposit, ride ticket plan--and incidentally, 95% of our outings have a ride plan connected with it. Our function sheet and the kit we use when we discuss these outings with the different people, you'll see in the back. And incidentally, 95% of our outings are booked anywhere from six months to a year in advance. All of our weekends are taken, and many nights and days during the week. At Riverside everyone gets involved; top management, Ed Carroll, Senior and Junior, all our department heads. When we discuss this meeting at the dinner with the chairman of the committee and his wife, and other members of the committee, we write down everything, as you see on the function sheet in the back of the hall. This is important, that everyone in your park get involved.

After this sheet is completed, it's circulated throughout the park to the department heads. They in turn talk to their help. Everyone is involved: the rides, the food, the games, security, the ticket department, so the day of the outing, everyone knows the particular company is at our park. I myself am down there at nine o'clock in the morning when they come in, and I stay with them most of the day, and this makes a smooth running outing. We stay with them until the last person leaves at night. There's a myriad of details that come up during the day at the outing, so if somebody there in authority takes care of them, this is what counts. You've got to remember this. The chairman lives with these people a whole year. If there's any beefs, he hears about it for the whole year, and then maybe next year you don't get the outing, so you've got to take care of the minute details, so everybody's happy, everybody gets fed, and on time.

Now, the menu--we have a standard menu; steak, roast beef, chicken, buffet. Anything that the customer wants, we can serve them. We have a full kitchen, plenty of refrigeration. When we decide how many are coming, we limit it to the amount coming three days to a week before the outing. In other words, we say three days before the actual outing we must have a final count, children and adults. When we get that count, the food department orders everything, and it's fresh right to the day of the outing. This is most important. We are very fortunate. Over the years we've had the same supplier for our beef, the same supplier for our corn, same supplier for our potatoes and vegetables, rolls, and it really works out. We've been doing business with them 25 years, and this counts.

Now, for our steak, we offer to the customer 11 ounce Delmonico steaks. This is all charcoal cooked in our pits in full view of the customer. A large Idaho baked potato, golden ear corn, salad, rolls, butter, dessert and coffee. Chicken: I have a three pound chicken. For a child's portion, it's one-quarter. They also get the potato, corn, and everything else. Roast beef is sliced in its own juice, covered with foil, served to the patron. It goes from the fire to the plate. We can serve 1,000 people in 40

minutes, and this is done through a two station food outlet, under our manager, Bobby Harkins and our well trained staff. Everything is cooked by a four by twenty-four two section charcoal pit, and with racks. This is all timing and coordination with our pit men and our girls to deliver this stuff hot to the stations and to the customer. This is most important.

And now I'll explain to you how we serve. I'll give you a typical outing. We have one coming up the 29th of this coming May. This will be the 16th year of this particular company, and they'll have anywhere from 2,100 to 2,700 people, and they have a lunch and a dinner. They start coming into the park at nine o'clock in the morning. Incidentally, we have a special parking area with their name, and incidentally, if this particular company, which it does, has a logo, we print out signs with their logo on it, so it makes them feel at home. They come into our park with their outing badges on that allows them to come into the park, because we have the pay one price, and it's admission at the gate. But it gives them a pretty good shot at our park, walking down through the midway, and we are about 75 yards from the midway proper down towards the bank of the Connecticut River. I'm there to meet them.

We stay with them all day. Eleven o'clock to one is the lunch. Now, for lunch they line up in two lines, come right down cafeteria style--this is lunch now. They take the hot dogs, hamburgers, cold cuts, clam chowder, all types of bread and cheese--that's the lunch--a separate condiment table, and they get their place at the table.

Now, the dinner is usually scheduled between five and five-thirty. In the meantime, they are up in the park, using the rides. Of course, as I explained before, 95% of them do arrange for our rides. This is a good gimmick, and I'll tell you, it works out real fine. A lot of people do not go up and use the rides. They play the games up at the midway, and, of course, we have a full athletic field down at the grove; softball, basketball, volleyball, badminton, horseshoes, anything they want. We have games. A lot of companies use their own games, but we help coordinate that. We have a girl take care of all the athletic equipment. Everything is ready for them when they get there.

But then comes the dinner. Same thing, two lines. Our security splits the line. In one hour we've served 1,000. With the system we have, it's coordinated between our pits, our stations and our girls, and it works pretty good, because we can accommodate up to 3,000 people without too much commotion or anything else.

Now, where do you people go to get this business? Our first stop, we have the Chamber of Commerce. The Chamber of Commerce has one of our outings. We have the three largest hospitals. We have newspapers from Connecticut, Massachusetts, New York State. We have the health inspectors from Massachusetts. Disabled Wheel Chair Association--and this, ladies and gentlemen, is one of the finest outings you want to have. You get a chance to book in the disabled in your area, it's really something. They have so much fun, and we really look forward to seeing them, as well as the golden agers. These two are my favorites, and I'm sure they're Mr. Carroll's, because Eddie, Senior and Junior, make it a point to come down and visit every outing, and I'll tell you, that really does something for the people. People love to see the top management down there, because they know that they're interested, and this is why we've been so successful in getting these outing every year.

On the other hand, where are you going to get five to a thousand outside salesmen? Because many of these people, when they like what they see, are going to come down as individuals and families. So you are creating a sales force, and they're paying you. So this is the important thing, word of mouth. It's your best form of communication. We spend thousands of dollars in advertising, but this is the best form of getting people back into your park, because we must depend on repeat business.

So ladies and gentlemen, we book between 70 and 100 outings, and generate between 17,000 and 20,000 people at our park, but who knows how many people above that 17,000 actually come into the park that we rehash them two or three times. I'd say about two and a half times more, which isn't bad business if you do the job right and spend some time working at it.

Now, there are three be's that we go by at Riverside Park: be ready, be clean, and be hot, and that's it, ladies and gentlemen. Thank you very much for your very kind attention.

MR. HARRY HENNINGER: Thank you, Joe. Boyd Jensen, from Lagoon in Salt Lake City is next to speak.

"Breaking into the Tourist Promotion Market"
by
Boyd Jensen, Lagoon Corp., Salt Lake City, UT

MR. BOYD JENSEN: Lagoon is basically a picnic park, and the major source of our income is group business, and we had in 1975 958 different organized groups that had their picnics at Lagoon. However, we've always felt a lack of tourist business in our park, and have been frustrated by the fact that we didn't feel we had as much as we should have. So in the past couple of years, we have purchased a small frontier village. It's called Pioneer Village, and it's an authentic little village, and we have picked it up and transported it to Lagoon. We purchased 43 buildings, 20,000 artifacts, 50,000 different kinds of pictures. We purchased Indian collections and gun collections. We purchased 110 wagons; three with the fringe on top, covered wagons, hand carts--these kinds of things. We in fact purchased a village and moved it to Lagoon. Thus the title of my topic, "Breaking in to the Tourist Promotion Market," and we're trying to do that, and '76 will tell whether or not we're all that good.

In any event, to be brief and to the point and to complete this, I'm going to background you a little bit just about our park, Lagoon. We're located midway between Ogden and Salt Lake City, Utah, and our seven county population is about 700,000 people within a 30 mile radius, 740,000 people within 100 miles. We have only a million people, so we have to go out and get people and get them to our park considerably more than one time during the season. We have a stadium. We have rodeos and demolition derbies, a lake where we have water skiers. We have an opera house. We run three musicals each summer season. We have a trailer park adjacent to us. We have a wild mouse, sky ride, miniature golf, baby boats, swimming pool, Dracula's Castle. These are some of the things of our park.

Okay. So here we are. We've finally got something to sell a tourist, and how do we sell the tourist? Well, here is what we've been trying to do. Obviously, we'll use our regular advertising means. We'll be heavy on billboards, and we found that,

again, because of the Pioneer Village, people who have not been as interested in us in days gone by are now more interested, and I found that benevolent people like Pepsi Cola who want to tie in with us are offering their money and their other means. I find that TV stations that we have offered some kind of working relationship for the Bicentennial are most interested in us, and are not as charitable as we would like them to be with their money, but they're fairly charitable with their time. So it would appear at this stage, advertising-wise, we're going to have more than we have ever had for less of an expenditure.

We have worked directly with the innkeepers that Marguerite talked about, and here again, they want us, they like us. All of a sudden, we're a bona fide legitimate tourist attraction in this part of the country so we didn't get a negative response from any motel, from any hotel, from any campground in the entire area as far as Pioneer Village and them wanting to cooperate with us concerning it.

Now, we've found that we have to go different ways with different organizations, and we're kind of finding--we have a \$6.25 pay one price for the park. We're happy to give those motels and those hotels who want to sell the pay one price at the desk, a buck off, and we're glad to do that. Now, this is the first time we've ever done something like that--first time we've made that kind of transaction commissionable--but we feel it's well worth it. There are other hotels, motels, camp grounds who want to work a little different way, and so they want a less expensive kind of a thing, so we're coming up with a small strip ticket talking about the glamor of Pioneer Village and two or three rides, and that will be at a less expensive price. We felt in the beginning that we've just got to go the way that these people want us to go to get the people that we have to have.

Marguerite talked about the convention bureau, and this is a great source of tourist business. In the little bit that I've been able to do with them now, the most exciting thing has been the National Association of County Officials is coming to Salt Lake City in 1976. Now, this is 4,000 people, and when I sat down and then took these people out to the park, showed them what we were doing, and then detailed to them in a letter a proposal--I myself was kind of impressed at the kind of things that we at an amusement park could do for conventions, and I wonder if that same market doesn't exist for all of you. In other words, maybe we've got more to talk about to the convention business than we have been talking. But in any event, the County Officials, just to bring you up to date, I'm going to get all of that convention, or I'm going to get a big part of that convention. I've got a lot to talk about at our park to interest conventioners, and I think you do also. Think about that.

We have teen tours at Lagoon. We're expanding this with people in charge of that in New York. Gray Lines, which is our official bus line, are pleased about what we are doing, and they committed, immediately to make Lagoon Pioneer Village a stop on the way as far as their tourist tours are concerned.

Travel agents--we're talking about a tour with the travel agency. We're not as optimistic perhaps as we should be on that, but yet we feel that we want to try it. We're going to have in our Pioneer Village complex a lot of free shows this coming year, and we feel that is a great incentive for tourists and give us an

awful lot to talk about. We're loaded with talent in our area and can do some fun things for minimum amounts of money.

Those basically are the things we've done. There is a new group now called the Tour Reception Operators, and we're possibly thinking of joining with them in some things. Their basic function is to meet a group when it comes to a city, and to kind of just handle that group in all aspects of what they are doing while they're at the city. I was surprised to find that we have an awful lot of foreign visitors in the United States. I never dreamed we had that many in Salt Lake City, but we do, and I think that's a market for all of us.

So those are some of the things we're doing to break in to this tourist market. Now, I would add this--again, back to Pioneer Village--that the dimension it's added has also increased the potential markedly for other types of business. Now, we have a grade school program, and are currently getting a lot of schools. We had 144 schools come to Lagoon last year, but we've never really had an in to the elementary school market like we would like. We feel we have it now with the village.

If you talk to me a year from now, I'll be an expert on breaking in to the tourist business. Thank you.

MR. HARRY HENNINGER: Thank you, Boyd. The next speaker is from Dorney Park, Jack Ringler.

"Let Them Earn Their Way"
by

Jack Ringler, Dorney Park, Allentown, PA

MR. JACK RINGLER: To start off with I'm on this marketing program. In order to sell your program, you have to merchandise it. And what is merchandising? It's to promote. That means a newspaper, radio, television or any other means to sell a product. That is the theory, to sell the product. And who has a better product to sell than the amusement parks? Fun for sale--the greatest product in the world--we have it, and we're going to sell it.

Before you can sell it, you must be sold on the product you are selling. You've got to be enthused and love the product that you're going to sell, and then you'll sell it.

Now, I'm going to give you a little demonstration here. I'm going to show you just a little something about merchandising. First of all, here's a book of matches. The next thing, I have a little bucket--book of matches, little bucket. I've got something else. I've got some red paper. Now, we at Dorney Park had these matches in 1959. They were for advertising purposes--a giveaway. They're quite old. We had a lot of them laying around. Now, what are we going to do with them, let them go to rot? No way, because that's money. So here's what we did, put them in a little red bucket, put a little sign up here like that. Can you imagine some idiot paying 50¢ for a book of these matches? Well, they did. They bought them like they were going out of style. That's just an idea of merchandising. Put them out on a counter. If you put it out where the people can see it, they're going to buy it, because people will buy anything.

How are we going to merchandise fun? I'll tell you a little something about it. First of all, we have many group sales pro-

grams, and I'm sure you all have group sales programs, and you say they're terrific, and you better think that way. You must think that yours is the best at all times, but you can always use an extra buck. That's what a lot of this group sales is, getting money in that's extra from the regular walk-in trade.

We came up with an idea of fund raising--fund raising for schools. Here's what we do. You call up a high school. You always get hold of the class advisor, whether it be a junior or a sophomore class. They're always looking for ways of raising money, because they do a lot with it. They sell light bulbs, some of them; some of them sell candy; some of them hold a dance and lose money on the dance. So after I make an appointment with them, I go right there and see them. Go to the people. Talk to them. You can't do anything on the phone. Don't tell them anything over the phone. Go over there and sit with them and talk to them and tell them. Sell your product that way. Don't sell it over a phone.

After I go there, I lay out the program. The program, briefly, is a ride program for four hours in the evening, six to ten, weekdays only--not on a weekend--during the month of May. They must have 500 students, that's a minimum. They sell tickets for \$4. They make a dollar on every ticket they sell. They do their own printing. You have no expense at all. All you have is a little bit of labor. You can talk to a class advisor for about 15 minutes, and he gets enthused, and it's all over, and the kids go out and sell. And they don't sell 500. They sell 1,000. We're up to seven high schools, and every one of them sells 1,000 tickets, and they think this is just fantastic because in one evening they make \$1,000, and this year we're going to add a couple more. We have a couple of colleges as well. But hold back a couple of rides. We do not give them the Indy 500, the UFO and things like that--the high price rides--and then they take out their money and ride those rides, so you pick up a little extra there.

Last season we had 7,400 kids, and we took in \$22,000. That is just on tickets alone, and think of the food they eat, and think of the games they play. Pick up some extra money, because you've got your regular walk-in trade, but group sales is the greatest thing in the world. Everybody's got to have fun and what better place than an amusement park.

Bicentennial year is coming up. Well, you've got a local Bicentennial Committee in your area. We're going to have a Township Appreciation Day at Dorney Park, and we're going to make some money out of it, too. The local committee needs some money. So we're going to give them back a little bit of money for each one that comes in on the Township Appreciation Day. That money will go in the Bicentennial Committee. That will help them out, and we'll have a crowd.

So there's many things you can do in the group sales, and I think you want to know how to do it. You see, you can do a lot of things in our amusement parks, but you've got to get out there, and you've got to hoof it, and you've got to know what you're doing, and you've got to know how to do it. And if you'd like to find out about some of these things see me later on. I'll give you all the information. You can have anything I have. That's the name of the game. Fun for sale! Get out there and hoof it. It's there for everybody. All you've got to do is to do a little bit of work. Thank you very much.

MR. HARRY HENNINGER: Thank you, Jack. Our last speaker is a gentleman from Opryland in Nashville, Ray Canady.

"Entertaining 200--Count 'Em, 200--Travel Agents"

by

Ray Canady, Opryland, USA, Nashville, TN

MR. RAY CANADY: Entertaining 200 travel agents is not a full time job; it's masochism, or lunacy. But we did it in Nashville, and we'll do it again, and the secret of this thing--probably the secret of why Nashville all of a sudden is the subject of movies and a bunch of other things--first, I guess, is country music. And country music, whether you know it or not, is stronger than sex. So is Monday night football. The past two weeks--the past three weeks--television shows featuring country music produced at Opryland, USA have outranked Monday night football. So we've got something that people like, apparently. At Opryland, we have a little more than country music. We've got all kinds of music.

How did we entertain 200 travel agents? We got organized and stayed organized, because we figured out in the very beginning none of us can do it. Nashville works together better than any place I've ever seen. Let me just read you a little bit here. Ozark Airlines in their market area brought in 16 travel agents, Allegheny brought in 16, Piedmont brought in a batch, Eastern, American, Delta, Braniff, Southern brought some more. Every one of the airlines that serves Nashville went to the cities where they knew they had the biggest traffic coming in to Nashville. They found the people who knew that city, and they said, "Which travel agent are we to bring to Nashville if we really want to generate some business?" And that's how we found the travel agents, and of course, the airlines brought the people to town. You can figure what that cost them. We gave them a free ticket into the park, and if you figure our normal price is not quite \$6, that is a pretty good trick. Somebody else is flying them halfway across the world, and we're clicking the turnstiles one time for everybody to get them into the park.

Next thing we did, we went to the hotels in town and said, "Will you work with us? We'll be selling groups that will fly to places. Once they get here, they need a place to stay." So we got all the hotel rooms and any other major tourist attractions to work with us, so we had places to stay. We got smart, too. We decided instead of bringing 200 people at one time--doesn't make much sense. You can't do anything with that many people. You can't talk to them. There's no opportunity for one on one sales. So we divided the people up, and we took some people from St. Louis and some people from New York and some people from Florida and put groups together, and we had each of those mixed up groups in a separate hotel. We had special functions there in addition to that. We had group functions several times during the course of this thing. We had everyone together at one time to see something. We had a big tour on buses. There are about 12 bus companies in Nashville now that pick up people at airports or bus stations and take them on a tour of the city. We had the travel agents be our personal guests on stage at the Grand Ole Opry. They actually were seated on bleachers on stage during the Grand Ole Opry, and, of course, they had a chance to chat with some of the 62 members of the Grand Ole Opry, which turns out to be salesmen for us, which is a pretty good sales force, if you can afford them.

Anyway, by working together with the Chamber of Commerce, with every tourist attraction, we managed to put together a program

which was just incredibly successful. One of the things we try to do is always find out what works and do it again, find out what flops and stop doing it. So we survey. We follow up. We get feedback. We try to find out what people think, what they respond to. We asked them to tell us, "What things impressed you most about the trip, or about the area?" Here's some of the things we discovered.

Number one, "Your wonderful people and their hospitality--this was the best trip I've ever participated in. I'm coming back to have some fall meetings with hotel managers, with bus charters, etc."

Here's another one from Missouri. "It was so well planned and the timing was great. Such hospitality. The greatest trip I have ever had the opportunity to attend."

Here's another one, this time from California. "The friendly local people. Everyone trying their hardest to please us."

Here's another one from Wisconsin. "The hospitality of everyone in Nashville greatly impressed me. I felt comfortable; I felt welcome."

Another one from California. "I have never been on a trip before where all the agents came away with a very personal feeling of having been truly welcome. We found your city and your people beautiful."

Now, if you listened, you found a thread running through all of that, and this thread, it seems to me, is the most precious thing any of us have to offer--people. You've got mountains, you have got trees, you've got other things to look at, and the thing that can bring them all alive, and the thing that can make them more attractive is friendly, warm, hospitable people. That's too bad, because there ain't too much you can do about it if you live in a place where everybody's a grump. You ought to go into some other business. If you live in a place where the people are friendly, try to get them to be friendly to tourists, which isn't all that hard. We work very hard in Nashville to try to educate and to inform the front line people who greet the traveling public. Every year, before we have a trip, before we do anything for travel writers or anybody else, we do it for the hospitality trade in our own city and our own state. We bring the people who work in the welcome centers, the waitresses and the front desk clerks in the hotels, the people who meet and greet the travel public--on this same tour. We give them a picnic. We give them a day in the park. We give them special treatment at the Grand Ole Opry. We let them enjoy on their own all the things we want tourists to enjoy, and we hope as a result of that they're going to go back and become salesmen for us, and that, in fact, is exactly what happens.

That's about all I can say about this thing. If you're going to try to do it, I would encourage you to start with your local Chamber of Commerce, and if there's an airline group that meets on a regular basis, go with them. In Nashville there is a group that was started by the airlines, and we just tied ourselves right into that thing. But if not, you can organize one and start it. If you'd like any specific questions answered, I'll do my best. Thanks a lot, and be happy.

MR. HARRY HENNINGER: Ladies and gentlemen, I'm sorry. I'm a little bit afraid we're running a little behind. Hopefully, if you do have questions, you'll be able to contact the individuals at a later date. Thank you.

... The workshop adjourned at 2 p.m. ...

MARKETING WORKSHOP
ADVERTISING TECHNIQUES

SUNDAY, NOVEMBER 23, 1975

TARA BALLROOM 2

The Marketing Workshop convened at 2 p.m., Carl C. Hughes, Kennywood Park, West Mifflin, PA presiding; guest moderator for the Advertising Techniques portion of the workshop was Harry Henninger, Kennywood Park, West Mifflin, PA.

MR. HARRY HENNINGER: Ladies and gentlemen, our first speaker today is Bill Dawson from Great Adventure in New Jersey.

"Coupons Build Business"

by

William Dawson, Great Adventure, Jackson, NJ

MR. WILLIAM DAWSON: Are you all familiar with Great Adventure? We've all been in the parks, and we went to Great Adventure this year. I love the comfortable confines of testing in St. Louis and Kansas, and when we got into New York City, it was really quite an experience, because all of us, I think, had been used to the parks that had been successful.

So when we got to Great Adventure, we had an opening press conference. It was very interesting. Nobody believed what anybody said. So we did a little survey in the market to find out what our acceptance was, and our awareness level was at about 8% and it was all negative. As a matter of fact, the most popular TV show in Toms River, New Jersey was a 30 minute talk show where they complained about the trip they had at Great Adventure. So needless to say, those of us that went from Texas and the other parks to become part of the Great Adventure team had our job cut out for us. So we got into the whole marketing plan the first of April, and the park opened on May 1st, so we had a lot of time to be very creative about what we did.

So I was asked to be on the panel and talk about coupons, and I think there are a couple of things that are probably worth mentioning. One of the things that we had done for research at Taft for some of the corporate sponsors and found out that today, interestingly enough, coupons are really more important to the consumer than they have been in the past. This is a time when a coupon is really viewed as money and not a gimmick.

So we decided we would go very heavily into the coupon market. We made a deal with McDonald's. We made a deal with a large department store chain, all in about three weeks, and we literally saturated the market with coupons. We had about eight million coupons out for the spring opening of the park. We ended up doing about 560,000 people through our front gate on our coupons this

year, so we feel it helped us out. And I think the reason it helped us out was we had a very difficult type of a marketing plan. Nobody knew where we were. Nobody liked us. We had to give people some kind of an incentive to generate trial in the park. We were convinced that if we could get the people into the park, that with the additions we had made and with the new management team, that they would leave and have a very positive kind of word of mouth.

So we did in the springtime our promotion with McDonald's, and we redeemed about 100,000 coupons. We did not do that as a sneak a peek. We ran a McDonald's spring promotion from about the first of May clear up through the 15th of June, rather than having it on specific weekends, and the coupons were good any time. The other thing we did at the park--we always said when people come to the park, one of the things they will do is that they are the word of mouth, and they'll go out and generate other business for you. So during that spring promotion, we gave everybody that came to that park that spring a coupon to take with them as they left so they would go back and tell people, "Hey, Great Adventure is new and different. You ought to go out and see the park." We found that the price incentive worked for us with the bad word of mouth, and it wasn't until about mid-August that we turned that around. So we feel that the coupon thing was a real savior for us this year.

In the past we've seen all this research, make it dollar bill size. We opted not to do that. We decided the best thing for us to do was to put pictures on the coupons, since only 8% of the people knew what we were, and we also tried with that to give specific directions to get to the park.

Another problem that we had was an identity problem, because the former management of the park didn't feel that it was absolutely necessary to lock up the name and the logo, so there's two Great Adventures. There's one over in New York across from us, and it's a very small park. So with our couponing, we felt like we needed to put pictures and a map on the coupons, and most of our coupons were about eight by ten, or a full page size.

So total for the year, we felt that in the spring it really helped us get off to a good start, and we began in the middle of the year with our couponing to try something a little bit different. We came out with a guide book, and on the back of our guide we put return visit coupons for the fall, and we ended up doing about 100,000 of those people that came back. But that worked very well for us, too. So we found that coupons don't have to be just a tie-in with McDonald's. One of the things that really worked for us, again, were the spring coupons and the guide book coupons, so that the people who actually visited the park became our salesman.

In the fall we also did a fall festival. We felt that the couponing had worked so well for us in the spring, particularly in June, because the schools didn't get out in New Jersey until the 26th of June, so we were very worried about weekday operation in June, and we still held at ten to twelve thousand a day. But we found that couponing had worked well enough for us that we were going to take those weekdays when school was still in session, and we were going to try to stay open daily in September, and so we went back into the coupon market. And again, the price incentive was the thing that we felt would bring it out, and we dropped our discount \$3 on our fall promotion, and we stayed open weekdays in

September. For September we did about 320,000 people for the month, and we had a lot of days of rain. Another reason we did that, in July, as many of you on the East Coast know, we had 16 straight days of rain, and our attendance just went right through the floor. But the couponing helped us with the fall again. We felt that there was just no question about if we could generate the fall business to pick up what we lost in the summer, so it did work for us.

Again, in July and August, one of the things we did not do was to do couponing during that period of time. We stayed away from it. And I think one of the things we always used to say, if you put a date on the coupon and it's only good for a certain time period, then it's not going to be that effective a promotion. Every promotion we did this year was either limited to a specific day or break-off time or whatever it was, and we didn't have any complaints. Surely we'd have a few misredemptions. So we found we didn't have to be afraid of that, so next year we will plan to do as much couponing basically as we did this year. We don't feel like it diminished our front gate. As a matter of fact, we feel it's one way we can segment and move people to come when we want them to come, and we're very heavily into the discount. We found that on our promotions, with the support for the coupons, the radio, television, newspaper, that we need to break that at least three weeks in advance of the time the couponing comes out. We were a little bit short on our timing, because we just didn't have the time this year. We found that you need at least that much lead time on the coupons.

So that's the Great Adventure story. We feel that coupons work. We feel that they can move your audience, segment it for you. They need to be tied in with people. One other interesting thing we learned was that we, in the past, had never wanted to go straight to the public or go to the media with a coupon for the parks. We always felt like if we got Exxon to put the coupons in the service stations, then we didn't have to worry about what the people thought about discounting the front gates, because they didn't know whether Exxon was paying for those coupons or paying a part of the redemption, and so you, in effect, were not discounting your front gate. We were having some problems generating people through the Safari Park, and we were positioned against Jungle Habitat who is doing carload sales. So we ran a newspaper test coupon where we gave a Safari Park free if you came to the theme park, and we had no real repercussions from that either. So we found that a lot of things I guess we've all lived with as things we perceived as rigid, they don't have to be that way. Do you have any questions?

A VOICE: What was the percentage discount on the coupon?

MR. WILLIAM DAWSON: Well, in the spring it was \$2, and in the fall it went to three.

A VOICE: Two dollars off what?

MR. WILLIAM DAWSON: Two dollars off \$9.50, and we had them only with the combination ticket. We have two completely separate entities at Great Adventure. Our safari is a separate entity from the theme park. So they buy a combination ticket for the safari.

A VOICE: Bill, you ought to position the prices, because there's a lot of static going on at nine-fifty.

MR. WILLIAM DAWSON: It's the greatest entertainment value in the United States.

A VOICE: But what I'm trying to say, position theme park and safari.

MR. WILLIAM DAWSON: We have a four-fifty admittance for the safari; a seven-seventy-five admittance for the theme park, and then the combination ticket is nine-fifty, so it's a substantial saving, and the discounts were off the nine-fifty combination ticket, so you ended up getting a combination ticket in the fall for six-fifty.

A VOICE: On this couponing that you did up there in the spring and the summer, did it hurt the way the consumer perceived the image of your park?

MR. WILLIAM DAWSON: Well, I don't know. You know, I'm just an old farmer from Kansas, and all I do is sell, and I don't believe in all those circles and graphs and all that stuff. I leave that to the advertising agency.

A VOICE: What percentage of your total sales this year were discounted tickets?

MR. WILLIAM DAWSON: It was 560,000 out of 2,470,000, so I don't know. But again, our whole position with the park was to get people in there, and that's why I was saying earlier, before you came in, that we had some very specific kinds of things we did.

MR. HARRY HENNINGER: Thank you, Bill. The next speaker is Robert Halford from State Fair in Texas--Dallas. Bob.

"Yankee Doodle Dandy Bicentennial"
by

Robert Halford, State Fair of Texas, Dallas, TX

MR. ROBERT HALFORD: I'm glad to hear about Dawson's discounts. But we're pretty good about giving tickets away, too, Bill. In fact, our opening day we gave away 80,000, and they were all redeemed.

I'm going to talk on the Bicentennial. We decided that we would hold our Bicentennial celebration at the State Fair of Texas in '75 instead of '76. Everybody's going to do it in '76, and we just thought we'd do something a little different. We decided, rather than call it the American Heritage or a lot of those other things of that sort, we'd try to have some fun with it. We are educational, like a state fair is supposed to be. But we wanted to have some fun with it, so we had the name the Yankee Doodle Dandy, and if somebody will cut the lights a little bit and turn on the projector back there, I'll illustrate this.

We called it the Yankee Doodle Dandy, and we had a dollar bill that Bill used, so we put George Washington on it, put him in a big Texas hat.

Well, anyway, we decided to do our Bicentennial approach, and we did it in a variety of ways. Big Tex is a 52 foot high symbol of the State Fair of Texas, and we decided to put him in a star spangled suit. But we went into an extensive program throughout our grounds, which is a large area, with red, white and blue.

We asked our exhibitors in our various buildings if they would do their exhibits in a Bicentennial theme. Our shows were all the same this year. For instance, in our creative arts department, we had a style show, which they called, originally enough, the Yankee Doodle Dozen. Our jams and jellies contests all had themes of a Bicentennial nature, and so on down the line. We had nightly parades, fireworks--you name it.

But as I mentioned before, we themed everything. We brought into the Cotton Bowl--which is in our fairgrounds--we brought several different types of Americana. We had a Music America in there with Charlie Pride, Waylon Jennings, Johnny Cash, Seals and Croft. We had a pretty good football game. We had Marines and bands and fireworks, and we were fortunate enough to get on loan from a gallery in Japan, strangely enough, the portraits of all the presidents of the United States and their wives.

It got a lot of attention. So anyway, now we're getting to the advertising campaign. We, as I said before, by having a theme long in advance--we were able to start doing things in a subtle way as early as July, with the fair in October. And you can see, I've got some copies of some of the literature that we used, but this is a tabloid that we put into 1,300,000 newspapers the two weekends prior to opening the state fair. It cost about \$55,000 to \$60,000, but it's been done for several years, and we're pretty proud and pretty pleased with the way this thing works; in essence, put a brochure in the hands of the consumer. Thanks to the ingenuity of our concessions manager, we went into the bus business this year and bought five of these little jewels, and you can see the bus sides there, again with the Yankee Doodle Dandy. This is our tribute to the British, and they rode down daily, just as I'm sure they did in 1775.

I want to go into the fact that we did three promotions. I stole a grocery store idea from Spurgeon Richardson. We worked with a food chain that works with 300 stores all throughout Texas, and they spent some \$25,000 to promote the State Fair of Texas, which we didn't mind at all. We also had a promotion with Colgate Palmolive, and they spent \$15,000 to promote the State Fair of Texas, and they also were nice to give away \$100 a day and at the end of the fair give away \$1,000, which one of our concessions people won, which worked out pretty good. And in addition, Dr. Pepper is a Texas soft drink, and Dr. Pepper ran a Dr. Pepper day at the State Fair and did some \$15,000 worth of attention to that.

Publicity-wise there is a love affair going on in Dallas with the State Fair of Texas. For the 17 day run of the fair, we had five full page stories in one of the three metropolitan dailies that are in our market. We had 33 front page stories and/or pictures, and in general had a pretty good year.

We also used a couple of gimmicks, and these are the things that I really was getting to here. We decided we weren't getting enough publicity in the paper, so we designed these little things to get our schedules run every day. It says things like, "On this day in 1775, George Washington practiced crossing the Delaware." And then on the next page, on this day in 1975, it tells what went on at the State Fair of Texas. "On this day in 1775, Betsy Ross presented a red, white and green flag design for approval." But it worked. The Dallas News used it. The Fort Worth Star Telegram used it, and several other papers in our marketing area--some 200 mile marketing area--used it, so it served its purpose.

We also decided that we'd steal another way. We sent out this page of clip art to all the leading advertisers in the Dallas and Fort Worth market area, and surprisingly, that worked to an extent, too. We had Ward's Cut Rate Drugstore also say that Yankee Doodle Dandy was cut rate, and a few things like that, so it did enable us to steal a little bit more space and served its purpose.

In this program we were fortunate to have the radio pickups. We had four radio stations originating from the State Fair this year, and on the last day of the fair we had a ten minute segment on the Howard Cosell show. They showed our sword swallower, so it turned out pretty good. And then we had one more gimmick. All this that I talked about did work, and we had a very good fair.

During our 17 day run we drew a little more than three million persons. We run a little bit of an amusement park during the 17 days. We have in excess of 200 restaurants serving everything from hot dogs to hot dogs, and a few others thrown in, plus about a hundred rides or shows. So it's a good sized amusement park for that 17 days.

This is the gimmick I started talking about a few minutes ago. I'm going to read this to you. We thought that we were getting a lot of distinguished visitors to the fair, so we thought we ought to have something to give to them when they came. So we came up with this Yankee Doodle Dandy certificate, which says, "Whereas, in recognition of a rare spirit, devotion to Mom's apple pie, staunchly supporting clean fingernails, two chickens in every pot and the Stars and Stripes forever, the State Fair of Texas does hereby grant and proclaim that you--and this one is for Thomas E. Spackman--are appointed an official Yankee Doodle Dandy, with all privileges vested therein, including power and dominion over pollywoddle-doodles, hopdoodles, doodlebugs, burgerdoodles, cockledoodles and all other doodles, now and forever and for the rest of your life." And it went over pretty good. It's signed Robert Collum, Chief Doodle, 1975 State Fair of Texas. Robert Collum is the president of the state fair, and has been for some ten years, and when we took this to him, he was not too sure we were on the up and up, and he was even less sure when we got him out in the Cotton Bowl in front of 20,000 people and asked him to read it, but he did, and he took great delight in being the Chief Doodle, and I think maybe we're going to have something like a chief doodle and a doodle certificate from now on.

We did have a very good fair, and I'm honored that you let me talk today. I'll be happy to try to answer any questions that you might have, now or later. Thank you very much.

MR. HARRY HENNINGER: We now have Bud Gurtler from Elitch Gardens in Denver, Colorado.

"Coupons, Coupons, Coupons"

by

Arnold B. Gurtler, Jr., Elitch Gardens, Denver, MO

MR. ARNOLD B. GURTLE, JR.: Thank you, Harry. Carl Hughes called me to talk about coupons and ride coupons and I think I can tell you what we've got to offer as far as the Gardens are concerned. When we think in terms of coupons, let me say that we do have a gate admission for the Gardens, and free parking, and a universal type of coupon and a pay one price. So I think that what Carl had in mind, and what he was trying to convey to me, was the type of

advertising that we do do as far as the couponing and media.

We use all types of media. We use radio, television and newspaper. Now, on the local level, we use the two daily newspapers, and we do coupon both of them from time to time. One is the evening paper, the Denver Post, which has quite a large circulation. We use that about three times during the year: once in the very beginning of the season, once at the tail end of the season, and once in the middle of the season for a rotogravure type of thing. The morning paper, which has somewhat less a subscription to it, we use just at the tail end of the season, when we do have a back to school kind of thing.

Then we do use the out of town newspapers. We use 19 different radio stations in the city out of a market of 32 and the types of stations that we are using are appealing to all ages; the rock and roll, the talk stations, etc., so we can appeal to all kinds of people. And the television stations, we have spots, and we're using the ten second spots and 30 second spots. It's pretty difficult, we think, to hold your interest in a Johnny Carson segment or in a news segment if somebody is all premeditated with what's going on in the world today. We've given them a minute to break the continuity of what they're thinking about. So if we can hit them one shot and give them a picture and give them a ten or 30 second commercial, then we think we've gotten something across to them, rather than too many words.

Then we do have a cooperative type of promotion. The cooperative type of promotions that we use are not give aways. If we use a savings and loan, if we use a petroleum company, if we use a food--like a McDonald's, or what have you--those people give coupons away at their place of business--at the point of purchase in their place of business, and they're collected at our gardens and sold back to those people. We do not give them away; we sell them at a reduced rate. Actually, it's about a 30% discount off the established price. Quite frankly, we feel that we have something they want, and if they're paying too much money for it, in terms of their thinking, to me, translating that means that the thing is working. So that is the strongest and best argument that we can affront them with; that if they have a six to ten thousand dollar budget for such a promotion, and they've gone into eleven and twelve thousand dollars and overextended their budget, it means that the thing was a success. It would be a total failure if they only got a bill from us for \$500 to \$1,000.

So we do those types of things, and when we promote anything on our own, the thing that we do is, as I say, we have a universal ticket throughout the park, and we do have a pay one price, which is optional, and we give our gate away. It's done on a hotel basis, and the name of the hotel or motel and two gate admissions, or a party of--depending on the kind of hotel or the type of motel. We do use a ride coupon gimmick where we give them gate admission and five coupons. The coupon values of our rides--our kiddie rides are from two to three coupons, and our major rides are from three to seven coupons--so if you have entrance to the gardens, which is complimentary on this type of ticket. Then you also have five coupons. The coupon is brought to an exchange window. They are given five coupons, and obviously they are going to buy more, and they're going to participate in many more of the rides. So that really does work for us.

We do have another kind of promotion where we circularize.

the various industries within the area. Coors Beer, for instance, is one of them. We contact the plant. We have several. I'm just using them because perhaps you know the name. We will have a promotion in the sphere of the factory, and the promotion will run four and one half days--Monday through Friday--at five o'clock. Those are the days that we are trying to promote anything. The weekends, as you know, normally take care of themselves. But in any event, if they do bring the coupon to the identification window, the coupon is discounted, and this is similar to having an organizational picnic, and because the park is such a minimum in size, we probably couldn't entertain 15 or 18 thousand people to the degree that they would like to have us entertain them at any one particular time, so we spread it out over four and a half days, and this gives them a Monday, Tuesday, Wednesday, Thursday and Friday until five o'clock. But it gives you an opportunity to give people--you're thinking of a crowd of forty to forty-five thousand people, and we cannot entertain that number of people. So that is the kind of thing that we will do with them, but that is all done with in-store or in-factory promotion, or in an institution.

And the other thing that we do is the out of town newspapers. We use 17 of them. Of course, they're searching for all kinds of good things and as a result, they are always looking for interesting things within the scope of their newspapers, and they will use publicity and pictures to a great extent. Thank God that Elitch Gardens has the name that it does have, particularly in our community, and as a result, it's nothing to have a half a page or a full page in a small town--and you get those types of advertising --those are promotional gimmicks that we can get for free, and that's pretty darn good.

Now, we do have an advertising program with them. That is not extensive. However, the rates are so cheap, and we feel that we have to get to everyone who is within 200 miles of the gardens. We feel that this is a pretty good shot at them. And each one of those 17 newspapers will pick up one day where in essence they're treating the delivery boy or the family. In our case, in a rural area, the newspapers are delivered by car and left in mailboxes or newspaper boxes in front of the farms. So they bring those people into the gardens for an evening--which is paid for by the newspaper. So the whole thing has got a very nice tie-in. The newspaper receives the minimum amount of advertising that we do with them over a period of ten weeks. They give us this free publicity constantly, and they enjoy using big names--the types of things that we have--for advertising. Interviews are very important to them, that they couldn't get otherwise, so that they're very complementary to us, and they work quite well.

And I would say that probably one of the most important things --one of the last things that we have is a hospital program. The hospital groups are pretty well locked in because of the fact that they're on a 24 hour service, and we ask them to come in on Mondays through Wednesdays when the hospital groups seem to have freer time. People are not checking in and out of hospitals in the middle of the week as they are on weekends, and we give them a reduced rate, and also if they want, they can sell our product, a package, for a greater amount and thus make a fund raising out of it.

So, in essence, I think that's about the program. We do have multiple coupons in the newspapers. Those coupons in the newspaper

are basically admission to the gardens, and if they do have coupon value to them for the rides, they are in a number like five, which is not sufficient for them to ride a great deal--actually a couple of kiddie rides. I think that just about covers it. If you have any questions--

MR. HARRY HENNINGER: Thank you very much, Bud. Next we have two gentlemen from Williamsburg--Old Country in Williamsburg, VA. Bill Francisco and Monty Roberts.

"An Award-Winning Advertising Program"

by

Bill Francisco, W.M. Roberts III, The Old Country, Williamsburg, VA

MR. MONTY ROBERTS: I'm Monty Roberts. This is Bill Francisco. We were told to talk very specifically about the advertising. It is true that our advertising program has won all kinds of awards, which doesn't help the bottom line very much, but they also managed to help sell 20% more tickets than we had projected last year, so we feel that's the best award of all.

It's a lot more fun when you don't have some of the restrictions to inhibit you that come as a consequence of a couple of things: one is that being a division of Anheuser-Busch, our company is pretty dedicated to some pretty high standards of quality, and really pretty much look down their noses at some of the flakier promotions that you can pull off; and another aspect of that is that one of the wild things in our position is that we are restricted by the Federal Firearms, Tobacco--some or other--Administration from doing co-op promotions with supermarkets. It is illegal for us to promote with anybody that has a license to sell retail liquor, so that's a factor in a lot of our marketing planning. Another factor in our marketing planning as far as Williamsburg is concerned is that--I don't know how familiar you are with Colonial Williamsburg, but they have a beautiful restored attraction that has been there a lot longer than us. It's very popular. So when we bought the property from them, we signed an agreement that restricted us still further in terms of--one thing they didn't want was the big carnival or something, so we had to be very careful. Now that they've spent a year with us, they understand what we're doing, but I think they had some tremendous anxiety about us coming in with neon ferris wheels.

Our opening was in May of '75. We really launched our advertising program in November of '74. One of the things that we'd done prior to opening was that we did get a pretty extensive market research on the East Coast. We have about two million people in the resident market, but we felt that more than 50% of our business would surely come from throughout the eastern part of the United States for a couple of reasons: one, Williamsburg is an attractive destination; two, an awful lot of people have been to Williamsburg in the past, and now they'll have another reason to go. In the course of doing that research, one of the things we discovered was that we all talked about theme parks, but if you really look at most theme parks, somewhere in the course of history the theme kind of went by the boards. We do things very literally at Anheuser-Busch, and when they said you're going to build a theme park with a European theme, they did their best to literally construct Europe in Virginia. And in the course of this research we discovered, really to my great surprise, that the theme was very critically important.

So when we really began to develop our advertising, we split

it into several phases. The initial phase was primarily designed to just get across two things: number one, that the theme was Europe; that you were talking about a trip to Europe for \$6.50 instead of 6,500; and the other thing was to just build an awareness of Busch Gardens' presence in Williamsburg, and also our new name. We wanted to back off from Busch Gardens and use a kind of a sub-name, the Old Country, to more clearly establish the theme, and also to stay clear of the beer image. That's a carry-over from the old days when we were a free promotional facility.

We ran a one shot network television exposure, and the idea of this was to reach everybody in the United States who might have ever gone to Williamsburg or wanted to go to Williamsburg--to get him and to generate inquiries for a beautiful brochure.

(Film shown.)

MR. MONTY ROBERTS: Those spots were filmed in October of '74, and literally showed the only things in the gardens that happened to be finished. A few rides we cheated on. The flume was in Tampa, and the Jetstar we did out at Expo. The one single time that those ran on network TV, they generated 50,000 brochure inquiries within a matter of ten days, and we figured that each of those inquiries, we probably converted 80 to 90% of them, and that each one represented about four people, so it was pretty well worthwhile.

A second part of that whole thing was a magazine advertising, which Bill is going to talk about in a minute. But one of the products that we were really selling in those television commercials and in the magazine ads--and this was a book much like a Sunday supplement, but printed on magazine stock so it had a very expensive feel to it. Unfortunately, it was expensive. The idea was that what we were selling was a family vacation trip against a trip to Europe, and as you thumb through the book all of these photographs were taken before this park was really built, so we had to fake it. We used everything that was literally finished, and a few things that we found laying around some of our other parks, and it featured a map--a total layout of the whole park, which was again picked up later in the year. We did a newspaper supplement which used the same map. The back of the book has some very detailed instructions about how to get to Williamsburg. One of the things that we also found in our research is that even though Williamsburg is a household word, there's an awful lot of people in the United States who have no idea how to find it. Let me turn it over now to Bill, who will take you through the advertising in magazines that was done to complement this.

MR. BILL FRANCISCO: Let me point out that our advertising for the year went through a number of very distinct phases. You're trying to motivate, number one, awareness, and motivate them to visit you in a particular area. We didn't even know what our operating schedule was at this time, because of the lead times. So in February and March and April, prior to opening, when again, we weren't sure of an opening time, we went into magazines and we did everything from Southern Living to Reader's Digest--basically regional approaches. We did a lot of research to find out the type of information that people were looking for, the format that they liked, what magazines that they read. We bought regional ads, and we went after specific demographic groups. This spring--that's about the best we could come to the opening at the time these were printed.

We generated in excess of 400,000 written inquiries off

of these magazine ads, and again, we feel that the conversion rate for this was very high. We went into the markets where we knew that the people had been into the area before. They had both the prior experience, the motivation and the income to travel to places. The advertising is very obvious that we were selling a theme--very heavily Europe as opposed to maybe the traditional amusement park. And again, we were trying to establish an identity.

Obviously, brochure racks and brochures are tremendously important. We saturated everything within about 500 miles. I think, we ended up distributing about two million brochures this year. We were very specific in the brochures. We talked about price; we gave directions; we did at this point talk about operating hours. You can see the emphasis playing price against Europe. We had very good cooperation on this program. This is really into the merchandising area, but again, it's talking theme.

One thing that I want to mention before Monty takes you into the next stage, which is the grand opening. We did a newspaper supplement that we felt was tremendously successful. We had an eight page, four column pre-print that we did ourselves, and we did investigate the idea of sharing that with institutional sponsors or co-sponsoring it. We went into 13 major newspapers. We basically ran from the New York Times to the Atlanta Constitution--seven million circulation. Again, this was part of planning your destination. We think that was tremendously successful. I think our total this year, between Willie Wonka TV spots, the newspaper ads, and then the magazines--or rather, the newspaper insert and the magazine advertising--we generated in excess of 700,000 written inquiries. I have no idea of how many telephone calls.

MR. MONTY ROBERTS: The next step was to get into the actual grand opening itself. Again, we were handicapped in the planning of this because the things that you would typically want to show in announcing the grand opening of your park are the rides. Well, we were not able to photograph the rides, because the rides were finished about two days before we opened the park. So we did two things. First, the television commercial was designed just to say, "Hey, we're open." That's all. It was not designed to sell anybody. The presumption was that they had already gotten a brochure or a Sunday supplement or magazine ad, or they had some familiarity by this point.

(Film shows.)

MR. MONTY ROBERTS: These spots ran for about three weeks while we were in the grand opening period. We ran two to three hundred gross rating points in all our key markets--everything within 50 miles, plus Washington and Baltimore, which is a key market for us, even though it's a two and a half hour drive. At the same time, we were running two to three hundred points on radio, and here's a typical radio spot. I might mention that these spots were virtually written by the market research that we did. When we went into test what people really wanted, we just wrote spots that played back the same as they told us.

(Tape played.)

MR. MONTY ROBERTS: There were four separate radio spots, and each was keyed to one of the points that we developed in the research. You might be interested what those points were. People said you've got to have a theme, and we want to know what it is. It has to

be authentic. It has to really happen when we get there. They said there has to be something for everybody of any age. There have to be rides. And it has to be a price value that they can understand. You know, \$6.50 for a trip to Europe is very understandable. Bill will take you now through the newspaper that ran simultaneously with the grand opening TV and radio.

MR. BILL FRANCISCO: By the time we got into the newspapers, most of the rides were finished. At this point, actually, I think these were taken about the same time we got into TV production, but obviously your turnaround time on a newspaper is a little different. We did the same thing in the newspaper again. We played back to the consumer exactly the same copy points that Monty just mentioned. We also talked some opening dates. We gave again a mail-back situation. We started, four weeks out, and we ran consecutively on Sundays, trying to get the back of the front section, whenever possible, in basically Washington, Baltimore, Richmond, the peninsula of Virginia. We zeroed in on our local market which we consider about 150 miles, where some ten million people live. We decided from our research what the people wanted to see, and so we came up with the European train, combination of rides, food and atmosphere. The mail-back, by the way, worked very well for us. Next year we'll tell you how we refined it.

MR. MONTY ROBERTS: By the time we opened--it was May 10th, I guess--and we shot the summer television when the park was finally finished in early May and had it on by the first of June. And the next thing we'd like to show you are the summer television spots. What we're trying to accomplish is to get across the idea that we're an amusement park, lots of rides and fun, but to stay within this kind of Walter Mitty fantasy trip to Europe context, which is so important in the research that we did.

(Film show.)

MR. MONTY ROBERTS: We got to a point where we felt that we had to go to putting the super on, "Filmed Entirely on Location at Busch Gardens," because the place is so authentic that there were some people who really didn't believe it was there, and it seemed to be effective. It's been played back a lot in the research we have done since then.

The next step of the game has been alluded to a couple of times, and that is getting people to come after five o'clock at night. We did some things that I think for our park are particularly appropriate. Bill.

MR. BILL FRANCISCO: On June 10th, we went to extended hours. We had been open to 6 p.m., and suddenly we're open to 10 p.m. It's the obvious traditional problem that every theme park has; how do you get some of the people to come after 5 p.m. We didn't get the traditional discount tickets, although eventually we did go to a two day ticket, which the first day you had to buy after 5 p.m., and the second day was good for all the second day, not just the night. It was not highly discounted, however. As a matter of fact, it was priced on a per hour value, so it wasn't cut in half or anything like this. Essentially it cost you the same per hour to come, even at night. What we tried to do was incorporate in all of our advertising schedules a nighttime theme. This is a nighttime radio spot, which ran in rotation with the other spots that you heard.

(Tape played.)

MR. MONTY ROBERTS: Another element of this, of course, was television. We believe in television very strongly. I think it's by far the most accepted medium, and the same idea we tried to get across, the idea of night hours; that we were open at night, and do it within the Walter Mitty context of the European trip.

(Film shown.)

MR. BILL FRANCISCO: By this point, frankly, the only kind of problems we had were--well, marketing finally won the argument with operations. They finally called up and said, "Stop the advertising. We can't take anymore people," which is a great problem to have. So then we got into the fall season, and by this time the attendance was holding very strong. As a matter of fact, in the months of September and October, when we were open on weekends--on Labor Day weekend we closed our night hours and we dropped back again to 6 p.m. Every day that it did not rain in September and October, we closed the park by, I think, 1 p.m. Next year we're adding a few things, and I'm sure marketing will be at us again to fill it up again. But we went into weekend operation in the fall. We did not do a lot of promotions. As a matter of fact, we had a couple that we had to back out of because, frankly, we felt like we were doing a disservice to people we had a contractual agreement with as well as our own customers, but we did want to get along the message of, "Hey, we're not open every day, but we are open on weekends." So this is a newspaper campaign. We did have some radio, but primarily newspapers at this point in the resident market, again about 150 miles, saying you've got 14 days, 13 days left, and so on and so on, and we counted it down all through the fall.

And then finally at the end of the season we went back to our original market area, because we do have so many people from outside the state of Virginia. Well, as many people come from outside the state of Virginia as they do within the state of Virginia. We ran an ad in the New York Times all the way down--I don't think we included Atlanta, but pretty wide circulation. The philosophy on this one, "Hey, we're closed for this year, but by the way, we're coming back next year, and we're bigger and better," and we put the operating schedule in there. And that was about it for 1975. Thank you.

MR. HARRY HENNINGER: Bill, Monty, thank you very much. That was very, very impressive. Before we do field questions I'd like to take one minute to thank Ed Carroll, Jr. for doing just an outstanding job. I know he's worked a full year on putting all of our workshops together. And Carl Hughes, who put together this particular one. Thank you very much, ladies and gentlemen.

... The workshop adjourned at 3 p.m. ...

ARCADE WORKSHOP

SUNDAY, NOVEMBER 23, 1975

TARA BALLROOM 4

The Arcade Workshop convened at 3 p.m., Marshall Caras, Rowe International, Dedham, MA presiding.

CHMN. MARSHALL CARAS: Thank you for coming. We have assembled, I think, a very marvellous group of people; and I think we can all learn something.

Rather than show my ignorance by making a long talk now, I'd just like to review very, very quickly this checklist that I made up for what it's worth. Just to run down these very, very quickly. We talk about the physical aspects of an arcade. Things are changing. How we're taking care of the lighting, such as the glare aspects, with many of the new television games. Are we looking at new types of floor treatment? We've gone from wood to tile to rugs, carpeting; and in many areas we're going back to tile. How do you handle your problems in that area? New arcades are going for overhead garage type operations or fanfold doors. Are you taking into consideration your traffic flows? What are we doing about electrical outlets? The old day of having cords strung all over the place is passe. Are we using raceways? Are we coming down columns? Are we using recessed receptacles in the floor? Are you taking these things into consideration?

Housekeeping is in capital letters. If you've got a good arcade, you've got good housekeeping. Considering the traffic flow, do you use a kiosk or do you want uniformed attendants to pass out change? What meets your needs? Have you considered a dark room or dark area to make your bank of television type games outstanding? Do you ever think of using black light to outline or highlight a particular area in your arcade? If you're in a large park, have you thought of spending a few extra dollars for proper communications and paging systems within the arcade so you can reach service people or use beepers or some other device for reaching service people? If you're expanding, are you expanding your shop, your service, your parts and your cash control in such a way that you don't interrupt traffic flow and that you have something that's very, very accessible to your games?

Are your machines and areas of the arcade properly signed? Do you have "out of order" signs? Do you move the machines or just let them set there and put a piece of tape over the coin shoot? If you're expanding and you're changing your arcade, do you bother to apply some kind of a formula for deciding how many games per square foot of arcade space for a maximum average utilization of space? Did you put your kiddie rides out front? Let the children be attracted and attract the parents inside. Do you spot your major pieces all out front, or do you move some down in the back to keep people moving down toward the back of the arcade and get a good traffic flow and maximum exposure of all the machines you have? Are you using machines that appeal specifically to women who sometimes in past years have been ashamed and a little bit afraid of using arcade equipment? This is a thing of the past. Are we making these accessible for the ladies who come? Are you doing something about machines for the younger kids above the kiddie ride age, or are we just ignoring them?

One area that I think will be stressed by members of the panel is relatively new in the arcade business, buy or rent. Do you buy all the arcade equipment in your arcade, or are you getting a mesh, some buying and some renting?

Do you have some kind of a formula or do you apply some rule to the percentage or the dollar return on the weekly rental or depreciation charges over a period of time that apply to the machines in your arcade? Do we even bother to look at what our break

even point analysis is or means or how it applies to us? Do we bother to look at the percentage of free games or the proper percentage for awards, for redemption for tickets? Are any of us double metering our equipment to give us a cash income figure and a total games figure so that we can evaluate what percentage of free games our games are giving? Do we use individual cash controls so we can plot a curve for every game so we know is it in or is it out or are we just guessing that the cash box looks a little light? Do we have overall cash control and overall cash security? Are you taking advantage of the new dollar and five dollar bill changers, not only for making change for the arcade but dimes or quarters for your skee-ball type operations. It speeds things up phenomenally. Do you evaluate the type, the location of your arcade and the percentage of pin balls that you use and the classic arcade games vis-a-vis TV games today? Do you evaluate, "Should I buy one major piece, what is going to happen; or should I buy several smaller ones?" There are answers evolving. These are things we should look at.

Do you have a distributor you can talk to, or do you buy spot buying here and there and move on from there? How much advice do you look to your distributor for and how dependable is his advice and is he? Do you have return privileges on a game? Do you think a distributor ought to guarantee income on every piece? Have you asked your distributor, "Can you set up service schools for my new people?" Does your distributor offer you a service backup? Have you ever asked your distributor or is he willing to help you set up proper stocking of parts for new types of equipment to make your serviceman's life a little bit easier? Does your distributor know what a warranty is, what a moral and ethical warranty is and what the word, written warranty, is? And, do you take advantage of him? Or, do you have an understanding in your own mind what the warranty arrangement should be?

I think we'll start off with Shane to my left who will speak to you about some of the differences between the English seaside arcades and the arcades of this country and his impressions of what's going on here. Shane Breaks.

"English Sea Shore Arcades and How They Differ
from American Operations"

by

Shane Breaks, Rowe International, Dedham, MA

MR. SHANE BREAKS: Marshall Caras said to me a few weeks ago as I stepped off an immigrant boat with a few round parcels of goody under my arm, "Will you answer a few questions in a few weeks down in Atlanta?" I didn't know he was going to make me stand up in front of so many well-informed people in such a wonderful business as is assembled here.

I would like to invite questions more than speak to you. There are many things that are different between our arcades on the other side of the water as to here. Mainly the fruit machine, the slot, the space we can give, the limited space we have there, and how you may one day have to use it yourselves; you have far more here. The main thing that's happening is the acceptance of everyone from every walk of life coming into our arcades.

When I was a small boy, I was given hell for being in one. Now, my doctor, my lawyer, my children and his children, everyone goes in. They even play Atari games in their home. This is the

sort of thing that's happening. This is what's wonderful. And, I'd love to find it here as well in my new country.

Other than that, I really do want to invite questions, because I have no idea what it is that would interest you. I'm knowledgeable in ten years of operating arcades on seashores and beaches. So please, please ask. That's all.

CH'N. CARAS: Possibly after the other speakers have made their remarks you can address some questions specifically to Shane. Our next speaker is Mr. Nolan Bushnell.

"Video Game, Master or Slave"

by

Nolan Bushnell, Atari, Inc., Los Gatos, CA

MR. NOLAN BUSHNELL: Thank you, Marshall. The video game has its proponents, its opponents. Some people have done extremely well with video games. Others have been hurt very badly by them.

The video industry in terms of coin operated amusement machines really started with a game called computer space in late 1971. Though the game was marginally successful, the real kickoff of the video game technology didn't come until pong the following year. It's my estimation that there were somewhere in the neighborhood of 140,000 pong type paddle games built in the world.

What really happened was the games earned a lot of money; and hysteria really took over on the part of the manufacturers, distributors, and the operators; and the market overbought. In fact, the market was so overbought with paddle games that there was a paddle game everywhere you turned almost. And, the players grew tired of the games. So, people who had purchased a paddle game early at \$1,300 or \$1,500 found that a year later they had a piece of capital equipment that was, one, not earning a significant amount of money and, two, had a market value of somewhere less than \$200.

And, this is really not surprising. I'd say that if you took the hottest pinball game or the hottest anything else and built 140,000 of them, I think there would be a similar situation. It is really taken probably the last three years for the video game industry to reach a level of maturity, not just on the manufacturing level but on the operating level.

One of the things I see happening, very quickly, is the level of technology in the games is increasing faster than the ability to keep up with the repair. And, this is something that I think will be changed within the next year. Essentially you have a television system, a coin entry system and a computer system. And the games will essentially self-diagnose. Push a button; and it says, "Replace chip number 3;" or "Replace the green chip." And, all this will be coming very quickly. So, the technical problems that a lot of people have will essentially go away. We'll still have the problem of repairing and diagnosing the TV sets themselves; but those, too, are getting extremely reliable.

The main thing that I would say is be careful with what you buy. Buying is the most critical portion. No matter how strong the game is, variety is a more important factor than loading up on something that's an initial success. Buy games, if you are in a highly transient location, that are easy to play. If you're in a location where you have the same clientele over and over again,

make sure the game is very difficult to play, because the easy-to-play games get boring so much faster than the ones that are challenging. And, you need a mix of both styles.

And, other than that, I hope you all have a lot of success in video games.

CHMN. CARAS: Thank you, Nolan. Our next speaker is Dale Van Voorhis.

"Financial Aspects of Depreciation Investment, Return
on Investment, Cash Flow and Related Matters in an
Arcade Operation"
by

Dale Van Voorhis, Geauga Lake Park, Aurora, OH

MR. DALE VAN VOORHIS: Thank you, Marshall. The financial end of this whole aspect of any arcade operation or any operation in the park, any business, is to make a profit.

There are about four factors that have to be taken into consideration. They are: general business activities in the area, the actions of your competitors, the contribution to gross to new equipment or to the net profit the new equipment is going to contribute, and the cost of the item itself.

Just briefly running over your general business activity, as most of us know, there is a great amount of unemployment. We could see this coming based on what happened in late 1974. So, we backed off on how much we put into the park in '75. And, for a corporation it's very important that you take that into consideration or for an arcade. It is a contribution to your expenses in the form of depreciation that you really don't need if the business isn't going to be there for an economic reason beyond your control.

The actions of competitors are not necessarily the competitor down the street who has an arcade. They are anybody that's in the area that's taking amusement dollars out of people's pockets. There are some good competitor reactions in the fact that maybe someone is putting up a brand new attraction that's going to bring thousands of people past your doorstep. It could be a new hotel in the area, a resort in the area that if you grow in proportion with them, then you're going to keep other arcades possibly out of the area. And, you have a very good marketing strategy, if nothing else. But, there are things you have to take into consideration before you invest a dime in arcade equipment.

Forecasting the gross contribution to the profit is a very difficult item in any arcade operation, as far as I can see. You just don't know how well the item is going to be accepted. You don't know whether you've got too many pinball machines or too few pinball machines or too many skee-ball machines. If you added another one, is it going to contribute to profit: or is it going to take and spread the wealth among what you already have? In any event if you do attempt to say, "Okay, this game is going to gross \$4,000 this year," I would wisely advise you to take that figure and cut it by a third or at least a quarter. This will take care of a lot of the unexpected repairs, vandalism, poor acceptance, whatever.

Another way that is becoming very popular, and we use it tremendously, is leasing of equipment. We have a certain number of

our machines that we buy. And, every year we lease between five and fifteen pieces of equipment; and in the lease we have the option to buy at the end of the summer. So, we actually take the equipment, run it, pay the rent on it, whatever it is; and at the end of the summer we look at it and see how much it cost us for maintenance, what contribution did it have, because we keep track of these machines, the leased ones that we are anticipating buying and how much they take in. And, we count the receipts every week. And, at the end of the summer we take the five or six best ones or maybe all of them--a couple of years ago we took all 15 of them--and we buy. A lot of times whatever you pay, the rent is available off the purchase price, at least most of it. And, this is an approach that we've taken as analyzing. You don't have to worry about forecasting cash at that point in time, because you know what the machine did; you know its public acceptance.

I don't believe I've seen it done in the arcade business; but in other leases, if the lease is long enough--and it would have to be a minimum of three years--you can have the investment credit passed right on to you from the leasing company. And, in selecting your lease you want to shop around, because there are a lot of people who will lease anything. They don't have to own it. They don't have to know anything about it. But, they'll lease it to you. And, it's very possible, if you have a good maintenance staff and know what you're doing in the arcade business, that these could maybe be a cheaper method of leasing. However, they can't provide service and some of the other things that you would want from your distributor. So, I would more than welcome questions when we get down to that point. Thank you.

CHMN. CARAS: Thank you, Dale. I'm sure we'll have some more questions for Dale.

Next we'll hear from Erick Bromley who has the advantage of having manufactured and been involved in the manufacture of equipment and at the same time is now involved in managing operations of equipment.

"How the Arcade Operator Should Train his Personnel to Handle
Solid State, and When to Rely on the Distributor"
by

Erick Bromley, Sportarama, Philadelphia, PA

MR. ERICK BROMLEY: At first most of us are afraid of solid state equipment that's out. When I was working with a distributor, I used to walk in: and people would say, "Solid state." And, they had this white feared look on their face. They just didn't want to handle it. When I mentioned that it made money, that impressed them. That sparked things up a little bit. But, then they would have to repair it. I think if you realize how simple and how easy a solid state device is to repair, it becomes much easier. All you do is unplug and plug, this much; and that's what you have to learn. The problem with that, however, is that it didn't work out that way exactly. People use to plug and unplug: but the results did not occur.

The real problem is the whole bit. It is the printed circuit board. That's the problem. And, the chief problems with printed circuit boards are that they plug in and plug out. And, by doing this we hope to fix the game; and very often we do. What happens, however, if it doesn't effect a cure, we're in trouble. If plugging in and plugging out doesn't work, then we don't know what to do. We don't know where to go from there.

And, this is really where I operate. I train my people not to work on solid state. I don't let them touch a thing on the board itself. They have these big solder guns: and they make holes in the boards: and they melt things.

What I try to do with my managers by very long distance is to make them able to tell me or tell a competent repair personnel what it is that's going on with the game. And, if he can do that, if he can report the problem correctly, 90% of repairs can be done over the phone. I repair all kinds of video games from Philadelphia or Texas by phone with a tremendous success. They call me up; they tell me the symptoms. I have trained them to give me the correct type of symptom. In other words, training on symptoms is not like a doctor; it's kind of like a nurse's aid. You tell the surgeon what's the matter. He tells you what to do. This, we think, is about the most successful way in which I can repair, because flying to Texas or flying to California is very costly for a repair job. I have also found that in this way local distributors can be relied on or local people.

Now, we have a stock. Everywhere I set up an arcade the first thing I do is go to distributors, go to TV repairmen in the area or any other people I know who can do repair. I get these people into our place. I show them the operation, and I let them know that our managers will be able to report to them symptoms that they will know, which will allow them to come and repair things quickly. They bring the right parts. They will bring the right equipment. And, they will diagnose the problem to a point where it makes repairing much simpler. And, thus, I can then negotiate with these people for a much better price. And, so I have a deal with every distributor in my area that when they sell me a game I will pay them a certain amount extra for that game to repair it.

The second thing I do is all my managers log each machine. We have a history. We do it in the lab. It should be done out in the field. The machine goes down. I want the date when it happened. I want the symptoms. And, if it's repaired, I want to know from whomever it is what was done in detail to repair it. I have a history of this. Now, the game goes down again. Does the same thing happen? Well, first of all, look it up and say, "Hey, did you try that?" The log is the most effective method of having in-house repairs that I have, because half the time now they don't even have to call me.

When I use managers for my arcades they do not come from the industry; and they have no experience in the industry whatsoever. I train them from scratch, because I don't want any prejudice or any preconceived conceptions about how to run an arcade. I want it run my way. So, I train them completely and fully to report and log and do things that most arcade people don't do. The other piece of training that I find very successful--it takes me about two days, not even that really--is to train them in the use of a voltameter. Because, using a voltameter or a multimeter which is extremely simple, especially the small ones which cost about \$12 to \$15 to \$25 if you go out and splurge, that tool can tell you everything. I'm never without one. It will allow the operator, the manager to really diagnose the thing. It can tell you when your video is at fault rather than your logic board. This is a very important distinction as to whether you call the distributor or the local TV repairman

We keep on hand a couple of devices; and I train them to replace capacitors and diodes and so forth which handle high current

and are known to go. I teach them how to solder; and I teach them how to check solder joints. And, basically I train them in very, very basic techniques, no electronics, just how to use the meter, which has nothing to do with electronics, and how to report so well what they find that it can be repaired very easily.

CHMN. CARAS: Thank you, Erick. Now, I can't think of anyone better to talk about the arcade of the future than Mr. Elmer Schmitt.

"The Arcade of the Future"

by

Elmer Schmitt, National Coin, Chicago, IL

MR. ELMER SCHMITT: Well, thank you for the kind words. In researching for this presentation I first went to the dictionary for a theme or some definition to build on. Webster's first definition was a row of arches with supporting columns. The second definition was an arched or covered passageway lined with shops. The arcade as we know it seems to be kind of a thing that just evolved over the years, and it doesn't really have anything to do with Webster's definitions. So, it gives me a lot of freedom to throw around a lot of thoughts some of which are kind of far out. And, they're basically just thoughts.

As I wondered about these arcades, I went back 30 or 40 years to the things that were once featured, shooting galleries, tattoo parlors, tin type photos, recording studios, lunch counters, fortune tellers, love meters and games. They had romance barometers, grippers. We've all seen these machines, strength testers, punching games, soccer, golf. Basically, the whole thing measured out to a conglomerate by necessity; and it was called an arcade.

Tomorrow's arcade has already begun to unfold. It's nicely done with a proud front, carpeting, lighting, plush decor, all weather temperature and rules of conduct such as "no smoking, drinks or food." They will include any or all of the following: custom electronics, shooting galleries tailored as to size with animated targets and themes. The mechanisms are here and soon to be developed. Lasers, discriminating circuitry will give you fascinating results, competitive shooting. Recording booths can be made to make tapes, copy tapes with plug injects, amplifiers and with professional help for people who are looking for something beyond casual recordings. Group games such as skee-ball are being done by Indy 800, a new 8 player track, and other games to appease those who like competition. Indoor golf driving nets, putting greens, basketball courts, hockey nets for practice, baseball cages, pitching nets, football throwing and kicking, tennis practice, bowling practice. In England I saw some soccer nets for people who would like to do that. Incorporated can be animated displays, little theatres with figures that move as the stories are told, Mother Goose, Jack and the Beanstalk and many other stories. Was very impressed with the European effort at this type of passive display in entertainment. Space can be set aside for puppet shows, magicians, clowns, musical groups, celebrities and whatever else in the way of illusions, trick mirrors, etc.

To sum this up I would like to make the point that your definition of an arcade of the future has only to do with the conglomerate of ideas which will be ever changing. We are looking for a unit which can be promoted as a first class entertainment, not a parasitic or an adjunct type operation, a place for the whole family, a sports center, a type of operation, a fun center, all day,

all year round availability. This in itself will make it unique.

To sum it up, this thinking to make this entity one by itself that can be promoted by radio and TV as a family amusement center where people will go expressly just to go to this, not as part of a beach or part of a park or as part of some transient area; but the people, the family will go there just for an amusement center. It's coming. It will be the department store type of entertainment. All these ideas won't work I'm certain. But, if it does, I'll see you all at the bank.

CHMN. CARAS: Thank you, Elmer. Our next speaker is David Nixon.

"Sub-Contracting of Arcade Operations"

by

David Nixon, State Fair of Texas, Dallas, TX

MR. DAVID NIXON: The State Fair of Texas is unique from most other fairs in that it has a completely independent midway operation. The concession department contracts all rides, shows, food, games, as well as the arcade. In 1975 the fair ran from October 3rd through the 19th, a total of 17 days. This year the fair used a central ticket system for the midway rides and attractions which proved to be very effective.

There are two basic problems in booking an independent midway operation. One is finding good operators, and the other is the control of the operators. Our previous arcade concessionaire operated the arcade from 1936 to 1972 when he retired. He apparently had been a good operator since he worked a total of 36 years on a year-to-year contract. In 1972 when the arcade was sold, the fair retained the exclusive rights to choose the operator of its choice. The State Fair of Texas reviewed its current operators and found two prime candidates. One man had the exclusive fair time contracts on the games, and the other had major rides at the fair and a year-round arcade operation in another city. The year-round arcade operator was chosen because of his machines and the maintenance and equipment involved. Plus, the best machines would be rotated to the fair from his other arcade operation.

Since the arcade has changed operators, the gross has had a steady increase over the years. The best comparison of the arcade operation is to use the increase of ride gross against the arcade gross. Because of the nostalgic trend, the arcade put many of the restored antique machines back into use, giving the arcade a nostalgic feel. A calliope is used with ceiling fans rotating slowly. Decorative carpet was used on the walls to absorb the sounds of the machines.

The sub-contractors from the onset demonstrated a willingness to put some of their profits back into the operation of the arcade as evidenced with the nostalgic decor. Cost of the equipment, machines, the building expense and the fact the 17 day run could not support a year-round arcade meant that the State Fair of Texas had a very good setup with sub-contracting and the percentage system.

With the redevelopment of the midway, our existing midway area, the arcade concessionaires volunteered to construct a new building to house the arcade. For these reasons and because the arcade is on the percentage system, we would be really reluctant to change from our sub-contracting format as long as we have the qualified operators we now have. Thank you.

CHMN. CARAS: Thank you, David. I sometimes wonder if many times arcades and parks have had bad reactions and bad relationships with distributors because they've made it bad. I think all too frequently arcades have had problems that would not have existed or could have been corrected rapidly had they set up a strong liaison with distributors in their territory.

Before we ask any questions from the floor, Dale, tell us more about the 1975--how long must the equipment be on the books to take care of investment credit?

MR. DALE VAN VOORHIS: Well, the equipment must have a life of seven years. Now, for lives of assets that are three and four years you can take one-third of the investment credit. If the asset has five to six years, you can take two-thirds. And, on seven is the magic number.

CHMN. CARAS: Thank you. And, another question, Dale. You mentioned that pinball games should take in X dollars per year vis-a-vis the price. Have you ever done an analysis of how many times the weekly rental of a piece of equipment it should take to make it worth while or how many times the cost of different types of equipment? Or, do you like to say it should pay for itself in one year or it should pay for itself in two years or six months? What is your thinking on that subject?

MR. DALE VAN VOORHIS: Well, generally again as you get into more expensive arcade equipment, something that costs four or five thousand dollars, we have found that if it pays for itself in the first year we're pretty happy with it. In other words, it has grossed the four or five thousand dollars in the first year. Where with an \$800 pinball machine or \$1,200 pinball machine it should double whatever it is as a general rule of thumb. We've never had a detailed analysis, but that's the way we approach the problem. It seems to work well.

CHMN. CARAS: Thank you. Erick Bromley made, I think, a very significant point. Anyone who has run a large service department must agree with Erick on the importance of logging breakdowns on machines time in and time out. It's a lot more work. But, keep a log; keep track of things. And, the more your arcade operation is spread out, the more work it entails, but the more money it will make you in speeding up your repairs, your evaluations, etc.

May we have some questions from the floor, please.

A VOICE: On your operation what would your per capita be?

MR. DALE VAN VOORHIS: Our per capita arcade is about 6¢. I don't know whether that is good or bad; but that's what it is.

A VOICE: Is it 100,000 people?

MR. DALE VAN VOORHIS: 650,000.

CHMN. CARAS: Is that good or bad?

MR. DALE VAN VOORHIS: I'm going the wrong way on that. The arcade grossed \$100,000. So, you can calculate it yourself. All right?

A VOICE: How many machines are in the arcade, by the way?

MR. DALE VAN VOORHIS: We have 65 machines.

CHMN. CARAS: Sixty-five machines grossing \$100,000. How long is your season would you figure?

MR. DALE VAN VOORHIS: One hundred and five days.

CHMN. CARAS: Are there any other questions from the floor, please?

A VOICE: Erick, how long does it take you to teach a novice to become a fairly good technician under your system?

MR. ERICK BROMLEY: It usually takes me two weeks. However, that is not a fair figure, because I'm also spending that time setting up the arcade. In other words, I do it concomitantly with the setup of the arcade. It can be done in I think a week's time on an every day basis.

CHMN. CARAS: He is talking about a novice who is a man who is not a technician. He's a man who can keep things running and make minimal repairs.

MR. ERICK BROMLEY: Right. This person is not going to go into the interior of PC board and replace chips. He's going to be able to diagnose his trouble. And without very much experience a man can be trained. I think total training of this man to operate under my system of reporting saves me a great deal of money and keeps my machines going over a weekend, which is more important.

A VOICE: What is the quickest way to collect machines on an individual basis?

CHMN. CARAS: One of the techniques that has been used is simply to have cash bags, magic marker, name or serial number, dump the money in, a slip of paper, one or two meter readings, throw it in the cash bag, count it in the counting room and then sometimes on a second go-round if it is convenient just to keep a cloth bag and put it right back in the cash box, so it always has a home. Otherwise, it can be kept on a rolling cart, so you can immediately pop it in and pop it out. There are locked cash boxes. There are several security cash box gimmicks, ideas on the market. But, there is nothing more simple than a cloth bag, if you're not worried about the security of the people who are handling the money. If you are only concerned with metering and getting a reading of how much each machine is doing over a period of time, magic markers, slips of paper and the cloth bags from the bank couldn't be any simpler.

Anybody else have any comments on that? Elmer.

MR. ELMER SCHMITT: I think the slip of paper as you run the money through the machine, you mark it down. You can make your total report a little later. In other words, you have all the slips; and it's easy--

CHMN. CARAS: You use individual cash bags?

MR. ELMER SCHMITT: Right, we do; and we put the name of the machine right on the cash bag.

A VOICE: Is the high noise level important? Is it important to have a high noise level in an arcade?

CHMN. CARAS: I hate a quiet arcade. It makes me nauseous when I

go into a quiet one. I would say the stimulus of the activity would be of some impetus to the excitement and the immediacy of an arcade. A destructive noise level is going to make anyone turn away but I certainly would not be ashamed to have a noisy arcade. Shane, what happens in an English arcade?

MR. SHANE BREAKS: Noise attracts. Too much noise puts things away. It depends on the location. The noisier ones will have music.

CHMN. CARAS: Can we expand on that any further? I don't know exactly what you're driving at. I'm trying to search for what you're looking for.

A VOICE: Well, most arcades I go into, and I go into a very few, are so noisy that I personally would not stay in there. And, I wonder if this is necessary.

CHMN. CARAS: Well, some of the newer games have volume controls. We have one particular operator, for instance, in New Hampshire who operates in several arcades; and he absolutely insists that every machine that we provide for him has maximum up to the full. And, if that isn't loud enough, we have to put a booster in it. I'm not arguing with him, because it's making money.

MR. ERICK BROMLEY: We have an interesting phenomenon. We have rides in our arcades. And, one of the rides I'm thinking of makes an enormous amount of noise. Besides the rides we have music systems which make enormous amounts of noise. I would say we appeal to young children of any age right up to 25 to 30 years old. That is where the bulk of our customers are, but mostly between 12 or 13 and 25 or 26. And, on certain evenings and Sunday afternoons we have a different sort of crowd. Our noise level in one place is almost unreal. However, we decided to try it. And, lo and behold, it didn't do anything. Nobody complained about it: nobody mentioned it; nobody said anything. And, the reason is, I think, rock groups. I think most people in that age bracket are trained and have been conditioned. They have no eardrums left anyway. It doesn't matter. They do not hear anything. And, if it's not there, they feel empty. So, I feel that it's a plus.

CHMN. CARAS: In case you think Erick is kidding, the American Medical Association has published some interesting figures that there is actual destruction to eardrums in most of the teenagers in this country as a result of rock groups. So, it's a changing culture.

MR. NOLAN BUSHNELL: One of the things I saw in a recent trip which I thought was really effectively done is there was a long, narrow arcade which probably had a 20 foot frontage; and it was maybe 50 to 100 feet. It was probably over 100 feet deep. What they did is they used the sound level at the back of their arcade was absolutely ear shattering; and at the front it was very pleasant to me. And, what it did is it gave you a chance to really choose your level of sound. And, yet at the same time it drew. It had an excitement to draw you back toward the end so that it kept the flow going. I thought it was the most effective use of sound that I've ever seen.

A VOICE: On that arcade, Nolan, was the sound level produced by background music or was it the increased level by just the sound effect of particular machines?

MR. NOLAN BUSHNELL: Sound effects of particular machines. They had what they called the war room. And, it was quiz games, kiddie rides and some other things toward the front. As it moved back, it went into some of the pin games and that sort of thing; and then to driving games; and then to the war room at the back. And, the war room was incredible.

A VOICE: Do you recall where that is?

MR. NOLAN BUSHNELL: Yes, in the Champs-Elysees in Paris.

CHMN. CARAS: I think too many of us think of an arcade the way we've always thought about an arcade. And, I think if I were going to set up a new arcade, I would take a walk through the newest supermarket in my neighborhood. I would take a walk through the best drugstore in my neighborhood. And, I would take a walk through the big discount stores in my neighborhood, because I would find very subtle ways of moving traffic from front to back. I would probably see, if I went into a drugstore and wanted a package of chewing gum or a package of cigarettes, I might have to walk 50 feet to the back of the store and walk out with bandaids or shaving cream or something else along the way.

All too often we visualize arcades the way they were when we were kids. The pinball goes here; and two guns go back to back; and four TV games, which are new and obviously we didn't see them when we were kids, are lined up over there. And, this is an awful big mistake.

We should spot our equipment. I think most of the arcade operators agree that if you have kiddie rides put a couple up front because the kids are going to say, "Mommy, look at that; I want to take a ride." Okay, we have accomplished an end. We have someone in the arcade. That is, Mommy is looking around; and maybe Dad or little Johnny is with them; and they say, "Hey, look at that big impressive piece there." So, they're going to play there.

And, anyone who has done any research and looked into supermarket operations knows perfectly well that they do horrible things to us. They put cocoa puffs at five-year-old level. And, that's the cocoa puff level. And, they put the most expensive gourmet food at 5'11". That's what dad sees. And, they put the worst garbage of soap powder at 5'4"! and momma buys a bargain; and everybody in the family gets a rash. So, I really believe that we could do some merchandising and marketing if we looked to other industries. That's what Nolan does when he's dreaming up and brainstorming a new product.

A VOICE: Nolan, you're making terrific games and some moneymakers; but you must remember that when people go around the arcades, they have kids. See who's spending money and who isn't. You should also keep in mind to keep a game that's not so fast but will give a bonus game. It won't take in as much money, but it'll be an extra point. Give as many points as you can as traffic goes through.

CHMN. CARAS: I think there is no one in this world that's advocating that we do away with some of the old standards. You have to have a balanced arcade. And, one of the comments on this check sheet is what appeals to women. And, younger married women, the kids, the younger generation certainly, they're fabulous tournament soccer players. They play pool, and they're good at pin games. Some of the best pinball players are the gals. There isn't a woman's college in the New England area that doesn't have pinball

games or isn't requesting them. But, you still have to look to a balance in the arcade; and that's one of the things that we would appeal to you to do is to take a fresh view of what's happening in terms of the balance.

I'm sure some of you must realize the fellow who is running an arcade in a small town is very heavy on pinball games. That's the repeat business. But, if you are running some of these short seasons, these heavy volume, quick-run places, you're not looking for that. You're looking for the 25¢ and 50¢ pieces that may or may not give you a free play. So, we've got to think in terms of the 70's and 80's and not the 1930's and 1940's.

MR. ERICK BROMLEY: I just want to make one comment on that. One of my theories about operating arcades--we have very large fronts in all our arcades. And, we have the corner in the section of the front reserved for women's games. And, unfortunately there are not enough games which are designed for women. I mean they have not been manufacturing games in which I can say, "Okay, I'm going to put in a game which would appeal to a woman walking in." You will see the arcade will fill up with males only. The women will stay up front and let their men go in and play the games. I always wonder why. We're missing 50% of the population approximately.

MR. NOLAN BUSHNELL: One of the problems is that we've designed games for women, and they've been bombs. Touch Me was a game which we built which was a woman's game. And, we did statistics and all that other stuff on it; and it was a smash hit for all the ladies; and it was not a really successful game in our standards. I mean it earned well, but the operators didn't understand it and didn't want to play it or buy it and put it in. And, yet, we found the ladies really liked it.

A VOICE: That's the type of game that I say they should stay with it and give it a chance.

MR. NOLAN BUSHNELL: It's income that's not going to take away from anything else in the arcade. It's going to be an addition to.

A VOICE: Talking about the games for women and men, looking through my arcade, I've noticed what men like to play and what women like to play. It mainly goes with the way the game is decorated or painted or flashed. Now, most of the pin games that you see men playing usually have figures of sexy girls on them; the outline of a girl's figure is distinct. And, I find women playing the football games where all the men are displayed on the play fields.

A VOICE: Talking about acceptability of games to the male population and to the female population, we're also talking about the future types of arcades that are coming. But, we still have a lot of resistance, a lot of malls--they consider themselves fashionable malls who are not interested. They're afraid it's going to draw the riff raff. How do you combat that? We're getting better games, more sophistication.

MR. ELMER SCHMITT: We opened our 24th mall arcade yesterday in St. Joe, Missouri. Now, the answer to that is all of the things that have been said here. The places have to be done with imagination in decor. There has to be some rules of conduct, so it isn't a hangout and so it isn't objectionable. Each one of these mall people that you're speaking about are falling one by one because the arcades will pay a higher per square foot rent than any-

body else almost in the mall, other than the choice corners for a jewelry store or something like that. One by one these mall people are finding out that this can be a good operation. But, they do want to know your track record. I think that's probably why a great many people can't get a lease, because the thing you're talking about is the main objection. They want the place there, and they want it done right. And, unless you have something to show them that you can do it right--sometimes money will do it--they don't want you, because if they take in \$15 or 20 or \$30,000 rent and they have to put two or three or four more security people in there or if you have a high noise level or if you have something very objectionable, they don't want you. They'd rather not have the problem. If they've got the mall rented full, they also do not want you. So, it's kind of a wearing away process. And, until you obtain some kind of stature you're going to have to overcome that.

CHMN. CARAS: There are arcade operations in New England where just a few years ago no one would ever have considered allowing an arcade. And, there's a gentleman sitting in this room who has a strong organization who has gone into areas and proved that when he puts attractive decor and is not afraid to use money and imagination in the decor and has cleanliness and security as one of his prime obligations to the public that people respect it, because as dirt begets dirt so does cleanliness beget cleanliness. And, you just never see anyone smoking in there, because there are signs that say "no smoking." And, you never see any empty cups or any spilled tonic in there, because there's a sign that says "no food or drinks." And, this kind of an image generates a better image as it goes down the street. The same gentleman operates an arcade in one of the ten largest cities in New England that has a newspaper that 15 or 20 years ago that called anyone who put in a pinball game a nazi. Then, as times changed, they were pinkoes, communists. Now, this man operates an arcade in one of the most prestigious malls there. I would have bet dollars to donuts five years ago that he never could have done it. It was done only by convincing the landlord and convincing the people that it could be done. So, it's an educational process. Time evolves; time elapses. That is one of the answers. There are no secrets.

MR. ERICK BROMLEY: We only operate in big malls. Our target areas are 1,000,000 foot malls. And, we have 10,000 feet in each mall. One of the things that helped us was the 10,000 square feet. Malls that have 10,000 feet unrented are going to look at you in much better eyes. I mean that's a big rental chunk that would remain barren.

The second thing is even at that rate we have to establish a track record. We can't go to the next one until we have proved ourselves with the first one and so forth. As the first one is successful and they feel that we can do it, they give us the second one. It's an inch by inch process. And, it's not an easy thing.

A VOICE: It's an erosion process.

MR. ERICK BROMLEY: Yes, and I think the work that's being done by companies like mine and other people have helped a great deal. The stigma is off. We spent about four weeks debating as to whether to put pin games in our malls. And, I asked Marshall his advice about that. I asked if an arcade can go without pin games: if for no other reason, pinball games add a stigma to the mall.

This is the kind of thing you have to work through and break it down, just break your resistance.

A VOICE: Generally, when you put an arcade in a mall, you have to improve the barren building that they give you. In a 10,000 square foot arcade, what do you figure is going to be the per square foot cost for improvements before you put machines in?

MR. ERICK BROMLEY: Unbelievable. I won't even tell you. It's astronomical.

A VOICE: Over \$20 a square foot?

MR. ERICK BROMLEY: No. That's not way off. It depends on what you do. You don't have a floor; you have nothing. You've got a piece of just empty space. You've got to get mall approval. They have to approve every square inch. And, in most malls today there are fire regulations that are unbelievable, so that every piece of material has to be written up and approved by the fire marshal. You have to have written guarantees of its flame spread ratings. There are all kinds of things. The total cost is much higher than it would be to improve a normal area. It's not the same. So, you have to go in and do this.

A VOICE: Are any of your arcades in the malls located on the main traffic flow, or are they all located on the side?

MR. ELMER SCHMITT: I don't think there is a balance. Generally speaking, the mall owners would like to see you off on the side mainly because of the noise level. They feel like any amount of noise that comes out of the front of that place is too much. However, there are arcades on the malls; or family recreation centers, please. It just depends on the mall itself and what space is available. I know in a new place, any new large entity going up, they would like to see you on the side some place. They would like to have their fashion and shoe stores on the main mall.

A VOICE: You were talking earlier about the family recreation center of the future perhaps with a shooting gallery, arcade pieces, possibly skee-ball would be another one. Is there anything like this in existence now, or is it actually the recreation center of the future?

MR. ERICK BROMLEY: Well, we've got a shooting gallery, extensive skee-ball, a major ride, basketball shooting, separate rooms for pins, enormous room this size for pins alone I'd say--separate and segregated, air hockey, everything.

CHMN. CARAS: We're seeing another thing in New England too which I think is very significant and does not necessarily apply to the arcade operator per se. But, to the coin operated, machine operator who may have a room--we are finding game rooms in some of these discotheques and young singles rooms where they have a discotheque. They have a bar. They may or may not have food. And, they have a separate room. They may have two games. There may be 22 games. But, this whole concept of a conglomeration of games being called an arcade--maybe we call them fun rooms or family entertainment centers, but these things are just busting out all over.

A VOICE: Addressing Dale, you have a limited season, I take it. At what point in the year do you purchase your equipment or decide

what equipment to purchase prior to park opening?

MR. DALE VAN VOORHIS: To be honest with you we do it about this time of year. We start getting them lined up. As I said, we do not buy anything any more. We just lease it with the option to buy and go from there. And, we work with the distributor and ask him, you know, we want to see the machines. We get ideas from what's on the floor here and away we go.

A VOICE: Do you start your payments for leasing as of right now?

MR. DALE VAN VOORHIS: No, no, we don't pay a thing until they're delivered in the first part of May.

A VOICE: So, you're asking the distributor to basically freeze up his capital that he's expended, right?

MR. DALE VAN VOORHIS: And, he knows he's got a ready market. He is going to rent the machine. And, he reserves it more or less for us.

CHMN. CARAS: We're confronted with the same thing. The distributor today must look to the number of dollars. Dale mentioned before there are certain imparted costs of present dollars and future dollars. And, this is one of the things that's hurting the distributor today.

We have specific instructions from one of our arcades; and we're working on it now and will probably go to work on it next week. We must get some arcade equipment to get him started into his arcade up in New Hampshire in the snow belt before the snow falls. That's a summer arcade. So, this is one of the problems. And, as long as you bring up the subject, and especially of all people I must be in defense of distribution and distributor territories.

The people who depend upon us as distributors know that we have service people who get in their cars and make approximately eight circuits all up and down the seaboard through every arcade at no charge to any arcade all during the summer season, 13 weeks. They also know that we are not reserving certain machines manufactured by Nolan and other people. We pay for our equipment. The distributor pays for his equipment to the factory ten days net, no discount. So, we are buying equipment and paying for it in November; may deliver in January or February if there is no snow. It may be in November or December before there is snow. And, we're not going to see a penny of return for a whole bunch of months. That's in defense of buying from a distributor, establishing a relationship and paying a fair price so he can exist too.

A VOICE: I totally agree with you operating in a local locale that a local arcade needs a local distributor. It happens that we buy a hell of a lot of IC's. But, there are a lot of problems besides just one; and not everybody has the opportunity to train or to have top mechanics. And, distributors are very important.

MR. ERICK BROMLEY: What I was really pointing out is that I rely on local distributors to fix my boards. I replace them.

A VOICE: I don't rely on my local distributor. I fix all my boards myself.

MR. ERICK BROMLEY: I find the cost offset of my time is not worth

it.

MR. ELMER SCHMITT: As a distributor in ordering games like for next season, amusement park-wise you always have to keep in mind one thing, that these games do not run forever. The manufacturer will stop in January or December on the game; and he'll go into a new one. Now, if you want that game, the time to talk for it is now. And, when you get back to the 10th of February, everybody wants the game. So, you have to use your own good judgment. And, I think giving the distributor lead time and a deposit would be a good idea.

CHMN. CARAS: I was in an arcade in Buffalo, New York, where there was a bill changer with a change combination of three quarters, two dimes and a nickel. And, the kids didn't know what to do with the nickel. And, being a friendly sort of an arcade operator, he put a little U.S. Marshall in there for a nickel. The thing cost him less than \$400; and in no time at all it had paid for itself --the kids absolutely love it.

MR. NOLAN BUSHNELL: The kids love it, but it's the operators who buy it.

CHMN. CARAS: That everything that the distributor sells has to take in \$10,000 or it's not good, it's not true. I started in this business in 1955, and we sold a single player pin game for \$315. Right now that same pin game, although it's much better, is about a thousand. But, in those days a \$315 pin game if it grossed an average of \$18 a week, that was a fabulous average. Nine dollars a week if a man operated it in a tavern--that's \$450 income. Now we take the same game with three times as much; and if we multiply 18 times 3, it's \$54 a week. The fellow says, "That's a rotten income on that machine."

When Bell Telephone goes out and changes the price on their pay phones, everybody squawks. But, pretty soon you don't even notice. And, they're smart enough that if you don't have a dime, you can put in a quarter; and you can get the same for a quarter as you can for a dime.

A VOICE: I have some more questions. On your new machines, what percentage would you say of new machines is put into the arcade every year?

CHMN. CARAS: I'm going to give you a concrete answer; but my accountant tells me to take advantage of depreciation, amortization, the cost of maintenance and recognition of tax credit; that I should spend X dollars a year. If my X dollars go into two pieces of equipment, then I think I may make a mistake. If I can only spend \$18,000 this year, and \$18,000 will buy for me three good used games and twelve new ones or whatever the mix is and if this gives me a proper balance in my arcade, then I have made the right decision. If you back me up against the wall and say I'm hedging, then I would say something in the vicinity of maybe just under 20% per year.

A VOICE: I disagree with you, Marshall, because I don't think we set any rule of thumb. I'm both a year-round operator, a mall operator and a park operator. Currently, we have some parks that are closed, right? One park that I have that is closed has in an arcade approximately 70 pieces. Up to this point, and knowing what is coming up because I did keep track of it, of the 70 pieces, I'm going to replace six.

CHMN. CARAS: That's six against seventy. That's something less than 10%.

A VOICE: The reasoning is I'm taking my slower pieces out, those that aren't generating income; I'm replacing them with new high volume pieces. But, I can't afford to take out my high volume pieces.

CHMN. CARAS: You're in a specialized situation, Bruce.

A VOICE: We're here discussing parks.

CHMN. CARAS: Are you affiliated with a park?

A VOICE: I'm a year-round arcade on a boardwalk.

CHMN. CARAS: Her problem is basically different from yours. And, another thing, Bruce, if you're operating several arcades in several geographic territories--just because I suggested that may be a rule of thumb, and rules of thumb are always bad because your thumbnail gets dirty. If I said 20%, it's entirely possible that you don't have to buy 20%. You can mix and match and pull and shove and move things around. The worst mistake you can make is to wait for four years and milk and milk and six years down say, "Boy, I need a new arcade." And, your cash flow can't keep up; and you're paying big interest. It's a slow process of moving equipment and re-investing.

A VOICE: What I would say is we sort of work on a budget according to gross, total gross of the previous year.

CHMN. CARAS: Based on the previous year's gross, you work on a percentage. That is known only to you. And, you replace at that rate. You're not talking in numbers of pieces of equipment. You are talking in dollars spent. If you buy one piece of equipment for \$72,000, that's your budget for the year, whatever your figure is.

A VOICE: I think part of the answer to the lady's question is if she's operating on a boardwalk, sometimes it relates to the competition. If the competition is putting every new piece he can find, if she wants to try to maintain or go ahead, she may have to go for every piece.

CHMN. CARAS: Her competition may be broke, and she's going to be better off in the long run anyway.

A VOICE: Well, he may not go broke. So, part of it is competition. And, sometimes it's not every piece that goes out. Sometimes it's what appeals to your customers. It doesn't necessarily mean a number or actual dollars.

CHMN. CARAS: The one thing that we keep on saying to ourselves as distributors and we say to our operators as operators is that neither we as a distributor nor you as Mr. Operator--this sounds kind of strong, but I'm very sincere--have no right to say that this is a good game or a bad game.

A VOICE: You're absolutely right.

CHMN. CARAS: We test a game. And, if Mel calls me up and says, "How's that such-and-such by so-and-so?" and, I say, "Well, it did such-and-such and then it started to come back down; I don't like

it," maybe that's a value judgment based on experience. But, if we've been testing a piece for three months and the increase is gentle but there is an increase and it continues to maintain its earning standards--you still have to come down and talk to your accountant and look at your whole financial formula, however simple or complex it might be, as to what percentage of my dollars am I going to do what with and what am I going to do with the rest of them. You can't get away from it.

A VOICE: What is your advice on separating your machines, one section for adults, one section for another age? Do you have any comments on that?

MR. ELMER SCHMITT: I think that machines in an arcade should be kept at a general level. I'm avoiding the answer to you on the basis that I'm trying to answer about four other questions that were just raised all in one shot.

An arcade and the reason everybody is here is because the general level of income in arcades has gone up. And, if you maintain your arcade by buying new equipment no matter what proportion it is, one piece of equipment won't--if it does \$500 a week is not going to increase your level of collection that much. It may increase your level \$15 or \$20. But, if you're going to have a successful arcade, competition or otherwise, you've got to continue to buy equipment to keep it up. With the latest you can no longer operate old equipment. If you have old equipment--there are good oldies that no matter how you put them in the arcade, no matter how the arcade is set up, whether you have all the pinballs together or guns together or whatever it is, you'll find the answer to that in trying placements. Each place has got a little different layout, and it doesn't seem to make that much difference. If the machine will earn money for you, it'll earn money almost any place in the arcade. If you put it up front and it does more business; something you put in the back won't do as much business. So, just the general level of your arcade will make you a winner or a loser.

CHMN. CARAS: As a personal matter and having been in quite a few arcades, I am generally against segregating in clearcut categories too many types of equipment. If you have 12 pinball games, it sometimes makes sense to put them down the center aisle back to back in a row. If you have air hockey, you certainly don't want them spread all over the arcade.

But, just to segregate older kids and younger kids and here is the junk where we put the old nickel stuff, I think this is reactionary thinking. I don't think it is forward looking thinking.

A VOICE: When you have redundant pieces like two tanks or something like that, do you put them side by side or do you put them on opposite sides?

CHMN. CARAS: Well, if you collect paintings by a particular artist, you know that two of them together are worth more than twice each of them singly. The first man who did this in New England took five Sago Grand Prix a whole bunch of years ago; and it was the first time except for shuffle alleys or skee-balls, you're talking on a purely arcade piece--he put the five of them together; and it was fabulous. Chicago Coin trap shoot, a bank of six or eight of them in an alcove--there's a gentleman in this room who did it. Imminently successful. Two pieces side by side, one is

going to take in more money. There's a bias. If you go to a cigarette machine, you'll find that the least popular brands are on the right; and the most popular brands are on the left for the simple reason that the guy who comes up and doesn't know--maybe he's had a drink or two or he's just not that much of a smoker--he's right handed; he put the coin in with the right hand; and then he goes here. If he wants his brand, he's going to have to travel across. Where do people go if you put two pieces side by side? One is going to take in more money than the other one. You may be not splitting them, unless you can bank them. If you can make a bank arrangement, then you've got something that looks really impressive. This I'm in favor of.

Thank you for coming.

... The workshop adjourned at 5 p.m. ...

1975 IAAPA ANNUAL BANQUET

SUNDAY, NOVEMBER 23, 1975

GRAND BALLROOM

Roger J. Shaheen, Presiding Officer, called the banquet to order, and the invocation was given.

After dinner, President Thomas E. Spackman delivered his Presidential Address. He introduced his retiring 1975 Executive Committee members, distinguished guests and foreign dignitaries. The new Board of Directors and Past Presidents were asked to stand and be recognized.

A special award was presented to Mrs. Grace Urban for her 15 years of service to the Association. President Spackman presented her with a diamond and emerald ring.

President Spackman then turned the meeting over to Ed McHale, chairman of the Service Awards Committee, who made the following presentations:

SERVICE AWARDS

N. S. ALEXANDER AWARD:

For the finest program appearance on a subject dealing with amusement parks or piers:

Robert Freeman, Great Adventure, Jackson, NJ.

ANDREW S. McSWIGAN AWARD:

For the most outstanding service to the industry for the year:

Truman Woodworth, Marriott's Great America, Santa Clara, CA.

DON DAZEY AWARD:

For the finest program appearance on the most outstanding promotion in the industry for the year:

Rod Caborn, Busch Gardens, Tampa, FL.

PAUL HUEDEFOHL AWARD:

For the most outstanding service
to the kiddieland/theme park seg-
ment of the industry:

Edward J. Carroll, Jr., Riverside
Park, Agawam, MA.

President Spackman introduced President-Elect Roger J. Shaheen, who presented the 1976 officers: 1st Vice President, Charles Wood; 2nd Vice President, Edward J. Carroll, Jr.; 3rd Vice President, Robert K. Bell, Sr.; Treasurer, Fred W. Pearce; and Executive Secretary, Robert H. Blundred.

President-Elect Roger J. Shaheen presented President Thomas E. Spackman with his Past President's Award.

This concluded the business portion of the banquet and the entertainment followed.



